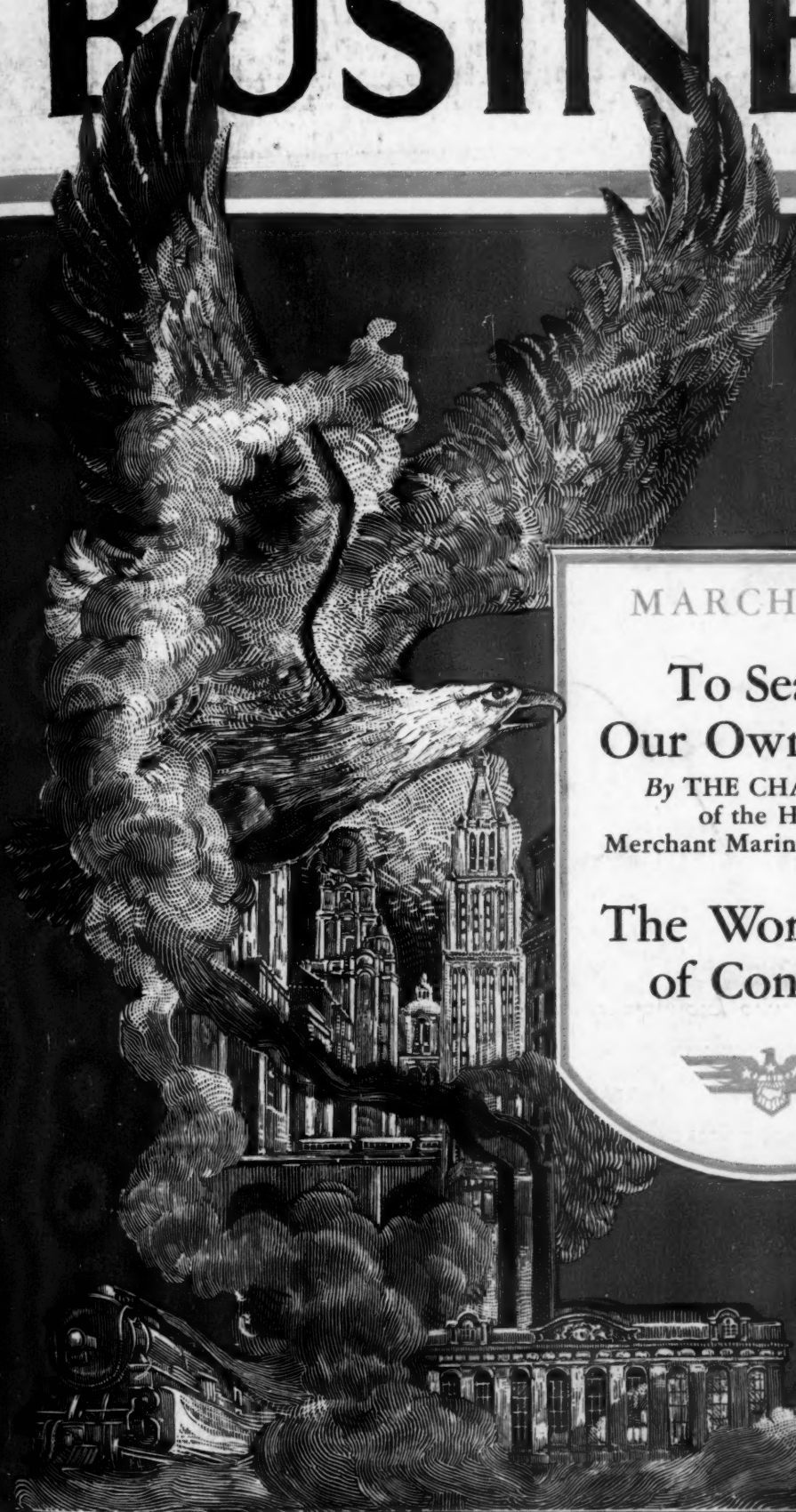


MAR 6 1928

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NATION'S BUSINESS



MARCH, 1928

To Sea in Our Own Ships

By THE CHAIRMAN
of the House
Merchant Marine Committee

The Workshops of Congress



MORE THAN A QUARTER MILLION CIRCULATION

LA SALLE

COMPANION CAR TO CADILLAC



THOSE who know motor-cars and motor-car values, quite obviously, find nothing else to compensate for the performance supremacy of LaSalle's proved V-type, 90-degree, 8-cylinder, Cadillac-built engine—nowhere the radiant beauty of color, spirited lines, studied appointments of LaSalle. With this year's prices substantially lower and the addition of five new models you need no longer forego the gratification and prestige of owning a LaSalle—companion car to Cadillac.

If you prefer to buy out of income, as nearly everyone does today, the General Motors plan is very liberal. The appraisal value of your car is, of course, acceptable as cash.

CADILLAC MOTOR CAR COMPANY

Division of General Motors Corporation

Detroit, Michigan

Oshawa, Canada



This Month and Next

A MAGAZINE, says Webster's Dictionary, is "a pamphlet published periodically . . . designed for the entertainment of the general reader"—a definition at once too narrow and too broad for this issue or for any issue of NATION'S BUSINESS.

If its editors sought only entertainment for the general reader, they would omit many articles and include many others. Perhaps they would omit "Is America Giving a Chance to Individuality," by Bertrand Russell, the distinguished British mathematician and philosopher.

We have preached cooperation, organization, group action; why open our columns to an attack on the idea? Partly because it is good to read what another man, a wise man, has to say of our ideas; partly because an idea that can't stand criticism must lack much. The balance between group and individualism is always changing. In America now we are admittedly surrendering more power, more duties to government. Are we surrendering more of the individual to the group?

What Mr. Russell has to say is worth the reading of every man who likes to work through organization—and to every one who doesn't!

IN "The Flight from City Ownership," W. G. Clugston, a legislative correspondent at Topeka, describes the move back to private control of public utilities in Kansas; the state which has always been ready to try new things.

Berton Braley strikes a novel note in "Movers of Mountains." It might have been called the "Soul of the Steam Shovel," for it tells in swinging prose what the giants of construction machinery say to each other in their hours that are idle for talk.

William Feather, Cleveland printer and publisher by vocation and cheerful business philosopher by avocation, helps along the discussion of mass production and quality in "What Do We Get for Our Money?"

PERCIVAL WHITE, who writes on business cycles for us, is a business consultant and specialist in retailing. He is one of the authors of "Chain Stores."

Chester Leasure is a member of the staff of NATION'S BUSINESS and has made a special study of legislation and legislative methods. "In the Workshops of Congress" will come to many as a new picture of how that body gets through its really tremendous task.

Raymond Willoughby, also an associate editor of this magazine, tells how

VOLUME SIXTEEN

NUMBER THREE

NATION'S BUSINESS

Published Monthly by the Chamber of Commerce of the United States, Washington, D. C.

MORE THAN A QUARTER MILLION CIRCULATION

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SUBSCRIPTION RATES: Three years, \$7.50; one year, \$3.00; single copies, 25 cents.

As the official magazine of the National Chamber this publication carries authoritative notices and articles in regard to the activities of the Chamber; in all other respects the Chamber cannot be responsible for the contents thereof or for the opinions of writers to which expression is given.



Thousands of Dollars at Stake

IT WAS the height of the holiday season. Every machine in a large inland candy factory was working at full capacity.

But the supply of sugar on hand would last only through the day. A shut-down seemed inevitable. A shipment of sugar purchased for immediate delivery had been dispatched from New York some days before but had not arrived. Every effort of the factory to discover its whereabouts had failed.

Then the General Manager telephoned to the American Exchange Irving Trust Company in New York. Immediately the bank's special machinery was set in motion. Within forty minutes the cars were found in the railroad yards of a large city eighty miles from the factory. With the co-operation of the railroad, the much needed sugar was placed on the siding at the factory by 5 o'clock the following morning.

Thousands of dollars in profit and customer good will were saved for the manufacturer by the prompt action of the American Exchange Irving Trust Company.

OUT-OF-TOWN OFFICE

**AMERICAN EXCHANGE
IRVING TRUST COMPANY**

Woolworth Building, New York

the street car has fought its way to public favor.

H. S. Cumming, the Surgeon-General of the Public Health Service, gives sane, readable advice to the business man on the care of his mental and physical health.

John T. Flynn is a New York journalist and magazine writer; John G. Ihff is connected with the American Trust Co. in New York; Aaron Hardy Ulm is a Washingtonian and a writer for magazines.

SO MUCH for a quick running over of What's What and Who's Who in the March issue of NATION'S BUSINESS. What's ahead?

For one thing aviation, although those who know best will tell you that aviation is not so far ahead as some think; that in fact it is at our doors. Mr. Wiloughby, of NATION'S BUSINESS staff, is dealing with aviation from its many business angles. One article on its commercial phases will appear in the April issue.

But if aviation is on its way, the bus is here. It's a surprising story that Ernest N. Smith, general manager of the American Automobile Association, tells, in an article scheduled for an early appearance, of the bus as a great competitor of the railroad in passenger hauling. The map of the bus lines which accompanies it will open any one's eyes.

Why and in what ways do American business and American business men differ from British business and business men? Herbert N. Casson, an American, long a resident in Great Britain, discusses the how of the difference, and Pierre Crabites, American judge of the International Court at Cairo, looks at the differences from the points of view of education and environment. Both soon to appear.

Bruce Barton and Berton Braley sound like a hive of B's, but each has something dramatic for April. Mr. Barton contributes an article showing why modern business needs continuous advertising. Mr. Braley writes another of his short stories of power and power makers.

NATION'S BUSINESS has been accused of unfairly criticising and of jeering at government. It does criticize sometimes; it praises sometimes. It recognizes always that government does many things well and some things badly, badly very often because of the inherent difficulties in the way of being business-like. In an early issue James S. Parker will point out the tangles of the health services, forty branches of government dealing with our physical condition.

The new covers have caused much comment, some unfavorable, mostly favorable. But NATION'S BUSINESS still remains a magazine which has never put a turkey on for November, a Santa Claus for December or a nearly naked baby with an oversize safety pin for January.

NATION'S BUSINESS

A MAGAZINE FOR BUSINESS MEN

Mouse and Corporation Elephant

ACROSS the luncheon table I asked this question of a president of one of our great electric corporations the other day:

"Why do you join so many business organizations? You are big enough to maintain your own research laboratories, your legislative bureaus and the hundred and one things that these groups carry on for their members. You are a member of the Chamber of Commerce, the Institute of Accountancy, and a score of others. Why do you do it?"

He hesitated only a moment. Then his face lighted:

"The little mouse which strikes fear into the heart of even the biggest corporation elephant is ignorant competition. We can draw a budget and chart our course for the coming year with a fair degree of certainty. The greatest hazard is what an unintelligent competitor may do. He has it in his power to strew debris all over the place.

"By unintelligent, I mean a competitor who doesn't know, for example, his costs, one who cannot read the statistical barometer in anticipating the raw material market, the seasonal and extraordinary sales periods, trends of styles, and a hundred other items that go to make up the thing known as managerial acumen.

"The uncertainty of what such a competitor will do in the lack of this knowledge keeps us constantly concerned.

"Did you ever play auction bridge with a beginner for a partner? Well, that's it.

"So, whenever there is a trade association, or a community group which we

feel is doing real work in breaking down economic illiteracy and making our competitors more intelligent, we are eager to get in and lend our support in time, work and money."

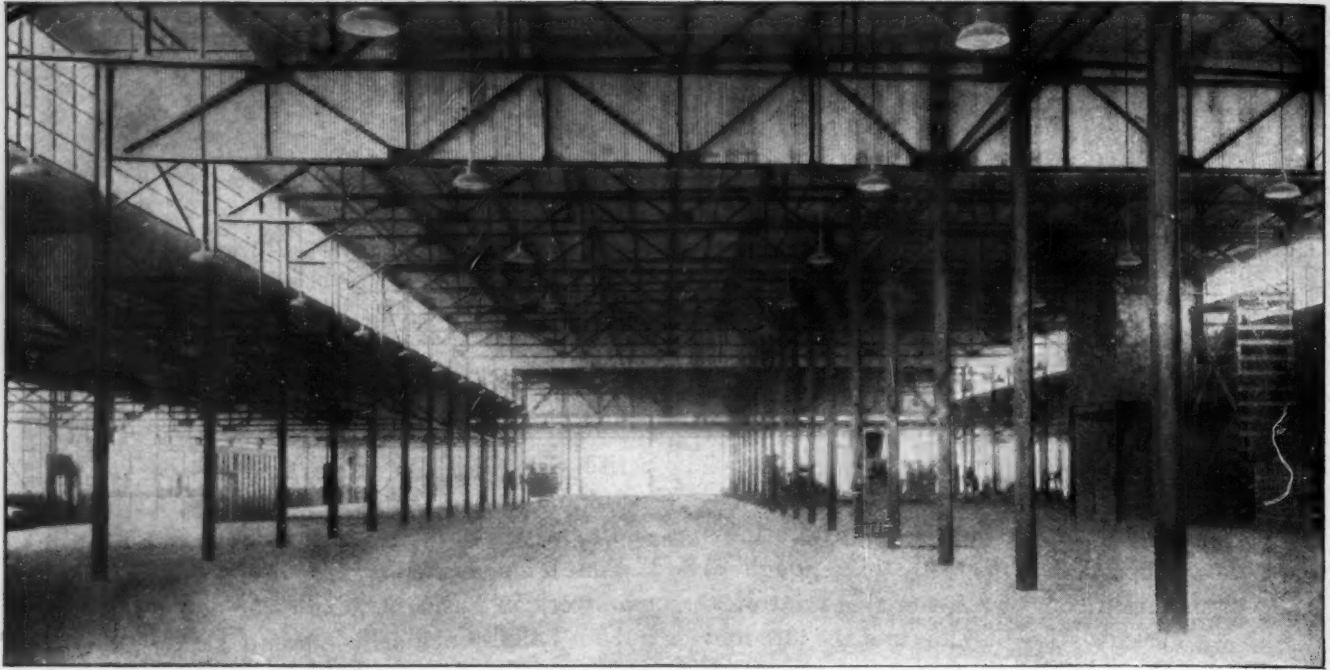
That is one reason for America's famed teamwork in business. Not fear alone, but an enlightened selfishness, a generosity on the part of the big fellow to help the other to learn the fine strategy of the game. But, as a nation, we haven't arrived yet. There is much to be done. We still have among us those men who, because human nature is what it is, have square corners and just can't work with the other fellows. True, they are gradually eliminating themselves, but not fast enough. Teamwork, whether on the baseball field or in the clothes-pin industry, will make for greater prosperity—and for more fun—at the same time.

Congressman Kelly, of Pennsylvania, recently described the man who refuses to play on the community team as reminding him of the little fellow in the nursery rhyme, who said:

*When I am alone, and quite alone,
I play a game that is all my own;
I hide myself behind myself,
And then I try to find myself;
I hide in the closet where no one can see,
And then I start looking around for me.*

In ignorant competition, with its half-brother superstition, business, big and little, faces a real hazard. Teamwork is the answer.

Merce Thorne



Complete new plant of Anchor Post Fence Co., at Baltimore, designed, built and equipped by Austin.

STRAIGHT LINE PRODUCTION

For Anchor Fences by the Austin Method

THE rapid growth of the Anchor Post Fence Company, within the past few years, overtaxed the capacity of their main plant at Garwood, N. J. A larger and more modern plant was needed to keep pace with the demand for Anchor Fences. A site was selected at Baltimore and Austin was commissioned to design and construct the new plant.

Austin completed the construction in 90 working days, including a separate boiler plant in addition to the main building of 100,000 sq. ft. The owners have expressed themselves as particularly pleased with the fine appearance of the plant, as well as the high quality and the speed with which the work was accomplished.

The efficient layout for straight line operation, from the receiving



end down through four parallel bays to the shipping department, will save many thousands of dollars each month and permit a large increase in production to keep up with the growing sales of the company.

Anchor Post Fence is typical of many large and successful manufacturers who have found Austin a valuable ally in carrying out their expansion programs on a sound and economical basis. Austin's experience and facilities can serve you just as effectively in your building project, whatever the type or size, wherever located.

Austin guarantees in advance the total cost, completion date, and quality of materials and workmanship. For approximate costs and other information, wire, write, or phone the nearest office.

THE AUSTIN COMPANY, Engineers and Builders, Cleveland
 New York Chicago Philadelphia Detroit Cincinnati Pittsburgh St. Louis Seattle Portland
 The Austin Company of California: Los Angeles and San Francisco The Austin Company of Texas: Dallas

AUSTIN

Complete Building Service

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	"The Austin Book of Buildings." Individual.....		
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MARCH
1928

NATION'S BUSINESS

VOLUME XVI
No. 3



Published at Washington by the Chamber of Commerce of the United States

MERLE THORPE, Editor

As the Business World Wags

THUS WE MAY SEE, QUOTH HE,
HOW THE WORLD WAGS—*As You Like It.*

Let's Drive for Tax Reduction



IF THE business men of this country do not stir themselves they will have no tax reduction this year. And more than that, we shall face on June 30 of this year the largest surplus which the Treasury has ever held.

That in its briefest form is the tax legislative situation as it stands at this writing. If business cares enough to have Congress make the needed changes in our tax law it can do it, but business can't get anywhere by sitting still.

Again the Sherman Law



THE PROPOSALS for doing away with or remaking the anti-trust laws continue to crop up. Two make their appearance in the recent news, and from two widely different approaches.

The National Civic Federation, by its acting president, Matthew Woll, of the Federation of Labor, has named a committee of men in labor, business and public life to consider four questions which "cause the bitterness between capital and labor." The first question is:

"Should the Sherman Anti-Trust act, the Clayton and similar laws be repealed, amended or left intact?"

About the same time the Federal Oil Board committee of nine on conservation asks that the law permit agreements for the curtailment of production. And if the oil folks ask that, how many other natural resources will ask for similar aid?

Government Ownership



IT IS a sorry spectacle when the Senate of the United States refuses to declare that it is opposed to government ownership.

The occasion was the debate on the Jones bill committing this Government to a continuance and an extension of government ownership of merchant shipping.

Senator King of Utah offered this amendment:

Provided, That nothing herein shall be construed as committing the United States to the policy of permanently owning or permanently owning and operating a merchant marine, but, upon the contrary, it is hereby declared to be the policy

of the United States to promote in all proper ways the establishment and maintenance of a privately owned and operated merchant marine.

And the Senate by a vote of 43 nays to 38 yeas rejected it.

Senator King was moved to say:

The vote which has been taken today, evidencing the great strides which socialism has made in the United States, will afford the utmost gratification to the communists of Russia.

A vote not to include a declaration against government ownership is not necessarily a vote for government ownership but that 43 senators should refuse to incorporate such an opinion ought to shock the business conscience of the country.

But more depressing still is the indifference of the business men of America to this growing acceptance of the government ownership idea in the halls of Congress.

What's a Fair Investigation



OWEN D. YOUNG of the General Electric Company has set forth clearly the attitude of his company as to any proposal investigated by the proper authorities. It is an attitude which all industry might well take.

Said Mr. Young in a letter to Senator Thomas J. Walsh:

The General Electric Company does not oppose but welcomes as a policy investigation by proper authorities whenever charges are responsibly made against it. That is our policy. Therefore, so far as the General Electric Company is directly concerned, if any charges are made by you or by other responsible persons through you against it I have no objection to any resolution authorizing investigation of the General Electric Co., however sweeping its terms may be.

A resolution to investigate the General Electric Co. is a specific inquiry.

When one starts to investigate an entire industry, however, that is another matter. The resolution, in my judgment, authorizing the investigation should be to investigate specific questions affecting the industry which are clearly set forth and defined. That is especially true if the inquiry relates to any question which may affect credit. To impair the credit of an industry would be a public calamity.

The easy popular cry is "If they have nothing to be ashamed of, why do they object to an investigation." That's all right if the charge be definite, if there exists

reasonable ground for accusation; but whether it be an individual or an industry a sweeping inquiry without a defined object can work much harm.

Thanking John D., Jr.



the Standard Oil of Indiana:

You owe it to yourself and to your associates in the management of your company, to your stockholders and to the public to help bring these transactions into the fullest light that can be thrown upon them. No desire, however praiseworthy, to protect those who may have been guilty of wrongdoing justifies the withholding of any slightest fact that will help to clear up the situation.

The letter from which this is taken, and the letter of Owen D. Young, quoted above, might well be read together as setting forth the position of business—of the much abused "big" business of the country—towards the public and the Government.

Regulation From Within



perhaps through their own bad business habits, accepting business at a loss.

Ask why they accept business which results only in a loss and their answer is that they fear losing a customer whose business might at another time prove profitable.

They ought to stand on the platform of the Chamber that business should regulate itself, yet there might be doubt if any action they could take would influence the buyers of the machine they build. Why should they not set up with the help of the U. S. Chamber and the Federal Trade Commission, a trade practice conference where makers and buyers might meet, discuss frankly the points at issue and draw up a code based on common sense and fair play to which all could subscribe?

It would be a fine thing to see the industry which stands back of all other great manufacturing industries undertake this work and carry it through.

Prevent Dirt Don't Clean Up



results of strikes is not to have strikes. Preventive medicine should be applied to labor disputes as well as to bodily ills.

And, the Bar Association and the A. F. of L. agree—at least for the moment—that strikes may best be prevented, not through compulsion and by such methods as the Kansas Labor Court, but through collective agreements.

Matthew Woll of the Federation of Labor, voiced this opinion when he said of the report:

This (the formula is not a proposition to throw industrial controversies into the courts, but rather it represents an effort to have the employers and workers agree upon a course

NATION'S BUSINESS for March, 1928

of adjusting their industrial relations and disputes without an appeal to the courts, and by such methods and through such agencies as employers and workers themselves agree, at the time of the making of the contract, upon methods best suited to their needs and which would best conserve the general public welfare.

All of which is in line with the Chamber's principle that the best regulation is self-regulation. Where there is no dirt there is no need to clean up.

Opportunity Is Not Yet Dead



IT IS saddening to think that opportunity is just about dead in America. No more can an ambitious youth hope to own an entire railroad system. How far would a man even with moderate capital get today if he decided to start a steel mill? The big things of business have been done.

Maybe not entirely. There is the case of the Akron rubber man who was broke at 62 and prosperous again at 68.

And then there is the case of the penniless Hungarian lad who managed a little movie in Brooklyn twenty odd years ago, and recently obtained control of \$100,000,000 more in movie houses.

Also, there is the case of the motor financier who got his start twenty years ago when he was polite to a street car rider as a conductor.

Out on the Pacific Coast there is a son of an immigrant heading a billion dollar bank chain. He began as a clerk.

Then too, the papers carried the story the other day of a former taxi driver, who was just made vice president of the largest cab company in the country.

There are a few other stories in the news, too.

One, of the former cigar clerk who decides to add a thousand more stores to his huge chain.

Another, of three one-time messenger boys who bought seats on the stock exchange.

And the one about the former prize fight promoter who did a hundred million dollar business with his dry goods chain last year.

Well, perhaps opportunity isn't quite dead.

In Larger Units



EVERY newspaper, every financial journal, is filled with news of mergers and consolidations. Nor is the tendency confined to America. Everywhere keener competition between industries is leading to larger units. Here's an English point of view written by J. A. Hobson in *The Nation*:

It will not be by niggling economies that Britain's trade recovery can be compassed, but by such reorganization alike of the technique and the government of industry as the ablest minds both among our business men and our politicians are beginning to plan. Broader-minded industrialists are awakening to these needs. The principle of combination is displacing the old faith in competition. Trusts and cartels which were anathema before the war are now in favor in almost every quarter. *Even labor politicians support them as stepping-stones toward socialism.*

But successful organization along these lines demands industrial peace between capital and labor. Here also big industrialists show more liberal minds than heretofore. Sir Alfred Mond, president of the great chemical combine, has just launched a proposal of share-purchase on favorable terms to employees, in conjunction with a system of representative

control through work-councils, which, it is hoped, may reconcile the interests of the two main factors in industry and usher in a new era of peace and productivity.

William J. Donovan, assistant to the Attorney General of the United States, sounded the same note in addressing the Paint, Oil and Varnish men the other day.

"And there are those who, believing in a socialistic state, are professed advocates of industrial combination in the hope that such a policy may more speedily result in governmental ownership."

An eye-opening idea that competition in industry is paving the way towards socialism.

Business Is College Educated



COLLEGE enrollments go up by leaps and bounds. Where once a college education

was the privilege of the exceptional lad whose parents destined him for one of the so-called learned professions, now every man hopes to send his son to college, and many, perhaps most, succeed.

Dean Walters of Swarthmore has been compiling some figures. In the last five years, full-time enrollment in 211 institutions on the approved list of the Association of American Universities increased 25 per cent, jumping from 328,000 to 410,000. In short, out of our population one in 300 is in an accredited university—and there are some hundreds of other colleges outside that list.

And what becomes of that great group of students when they start job hunting. Some statistics recently compiled at Williams give an idea. From the classes from 1852 to 1920 there were 2,667 living graduates of whom 58 per cent were in professions and 42 per cent in business. But since 1905 the figures have been shifting. Of the living graduates from 1852 to 1905 there were 401 who had gone into business. From 1905 to 1920 there were 727. The earlier period showed 921 men in the professions and the later period 618 with a turn away from ministry and law to engineering.

And still the 435 members of the House of Representatives include 328 lawyers, about 77 per cent. And this 77, according to one authority, make more than 90 per cent of the speeches.

On Faulty Examples



TRADE associations, notably the Retail Hardware Dealers, have sought to make our arithmetics tune to business methods, to alter the examples which said:

Smith and Company buy a bedstead for \$40 and sell it for \$60. What is their profit?

Answer, \$20. Quite forgotten are the dozen items that come out of that \$20 before profits are pocketed.

On the authority of the *Figaro* of Paris, strongly anti-Bolshevik and sometimes overzealous to make a case against present-day Russia, the Soviet is doing still



COURTESY NEW YORK HERALD-TRIBUNE

Shanghaied

better. Here is a revised arithmetic example it cites:

A village priest makes a stupid peasant pay him two roubles for a short prayer. Supposing that 1,000 peasants who have thus been deceived, instead of each paying two roubles to the greedy priests, send them to the treasury of the Soviet workers, so that the treasury can send this money to the unemployed and starving in Western Europe, how many brave pioneers of the world-revolution can each receive a subsidy of 15 roubles?

The Railroads' Money Year



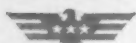
THE RAILROADS raised wages perhaps \$100,000,000 in 1927, but in spite of that they are not going to spend quite as much of their time getting together money for wages as they did in 1927. The Committee on Public Relations of the Eastern Railroads has issued its 1928 calendar which shows where the railroad dollars go. Here's the table put by days for 1928, '27 and '26:

Items of Expenditure	1928	1927	1926
Wages.....	151	153	157
Locomotive fuel.....	24	24	27
Materials and supplies.....	69	69	70
All other operating expenses.....	24	25	24
Taxes.....	22	21	21
Interest and rents (fixed charges).....	40	41	41
Dividends.....	23	20	19
Surplus.....	13	12	6

In other words, the railroads take the first five months save one day, May 31, getting together money for

wages. The first three weeks in June go to locomotive fuel; the last week in June and all of July and August are devoted to earning money for materials and supplies, while the first 20 days of September go to other operating expenses. Twenty-two days' income go to taxes; 40 days to interest and fixed charges; and 23 days to dividends. That leaves 13 days for surplus.

As to Diminishing Markets



THIS cutting from a newspaper is put on the editor's desk:

When an industry is confronted with a fixed or diminishing volume of business, it must choose between two alternatives, either more higher-priced goods must be sold to the same number of customers or the volume of business must be concentrated in fewer hands through the elimination of uneconomic units.

To what industry does it refer? No, not automobiles, nor silk, nor wool, nor ice refrigerators, nor any one of the dozens which we think of as facing the new competition. The quotation is from the Metropolitan Life Insurance Company's report on undertaking in Metropolitan area of New York. The fixed or diminishing market is due to the better death rate. The "uneconomic unit" is the small undertaker who finds his business going to larger organizations.

But the problem of one business is pretty apt to be the problem of another.

The Senate and The I. C. C.



EDITORIALLY and by cartoon this magazine has pointed out the danger that lay in the interpretation by the Interstate Commerce Commission of the Hoch-Smith resolution, an interpretation which led Commissioner Hall (since retired) to say "Congress has not made of us a special providence."

Now the Senate of the United States has taken notice of the situation and has adopted a resolution which calls on the Commission to produce

a full and complete citation of the section or sections of the interstate commerce act as amended, and other acts, under which the Commission claims and believes it was granted the power to equalize prosperity among the producers of commodities.

What the Hoch-Smith resolution means is before the United States Courts, and before the Senate, and when those bodies have deliberated the Commission may have a new understanding of its duties.

Who Profits From Beef?



THE HIGH COST of beef has of late engaged public attention. From Boston came reports that hotels had asked their patrons to order other meats than beef.

Who's growing rich on the profits of buying cattle and preparing and selling and cooking and serving beef?

Swift & Company in their 1928 year book set forth their profits. The cattle they bought in 1927 averaged 966 pounds in weight and cost \$8.17 per hundred pounds as compared with \$7.16 in 1926.

This average animal yielded 520 pounds of meat which sold for \$78.10 and the by-products yielded \$14.78. Total \$92.88. The 966 pound animal at \$8.17 a hundred, cost \$78.93 and the expenses including freight \$13, leaving a profit, before paying interest of 95 cents on each head.

NATION'S BUSINESS for March, 1928

It is interesting to note, first, that profit is only about one-fifth of a cent a pound of meat and second that the seller gets more for his animal than the packer gets for the beef he sells. The answer to this last paradox is "by-products."

Making the Chamber Stronger



THE TRADE ASSOCIATION is destined to play a great part in the growth of American industry. It is a recognition of that fact that has brought Hugh P. Baker to the United States Chamber to take charge of its work with trade associations.

Dr. Baker brings to this task a fine equipment both from education and from occupation. Educated in forestry at Yale and in economics in Munich, he has served the Government and taught in colleges.

For several years he was executive secretary of the American Paper and Pulp Association. Altogether a well-rounded training for a difficult and important task.

Italy Closes Chambers



MUSSOLINI, says a newspaper despatch, has wound up all chambers of commerce in Italy. The despatch adds:

"The provincial economic councils will take over the work of the dissolved Chambers. The head office will be in Rome, as established by the State Corporations Act, which brings all industrial, commercial and professional syndicates under the new Ministry of Corporations. It marks one more step on the road to complete Fascistization of private endeavor, at which the Corporations Act aims."

Socialism and Dictatorship. The two seem at the opposite poles but the Italian leader seeks to make them one.

No one has yet undertaken in this country to suppress the chamber of commerce and the trade association, yet there seems always to be some department of government ready to do the work the business man should be doing himself by organized effort.

A Check to Production



SCIENCE is always upsetting industry. Now the airplane is upsetting the egg industry just as the hen was increasing output and reducing overhead. Postmaster General New has broadcasted to an egg-eating world a letter from the "Cackle Corner Poultry Farm." Says the egg raiser:

About once in two or three weeks an airplane, sometimes it is a U. S. mail plane, flies over my place so low that the hens become so frightened that they pile up, thus injuring each other and my egg yield drops one or two hundred eggs per day, and by the time I get them back to normal along comes another low-flying machine and sends the egg yield down again. . . . I wondered if the planes could not be requested to fly higher.

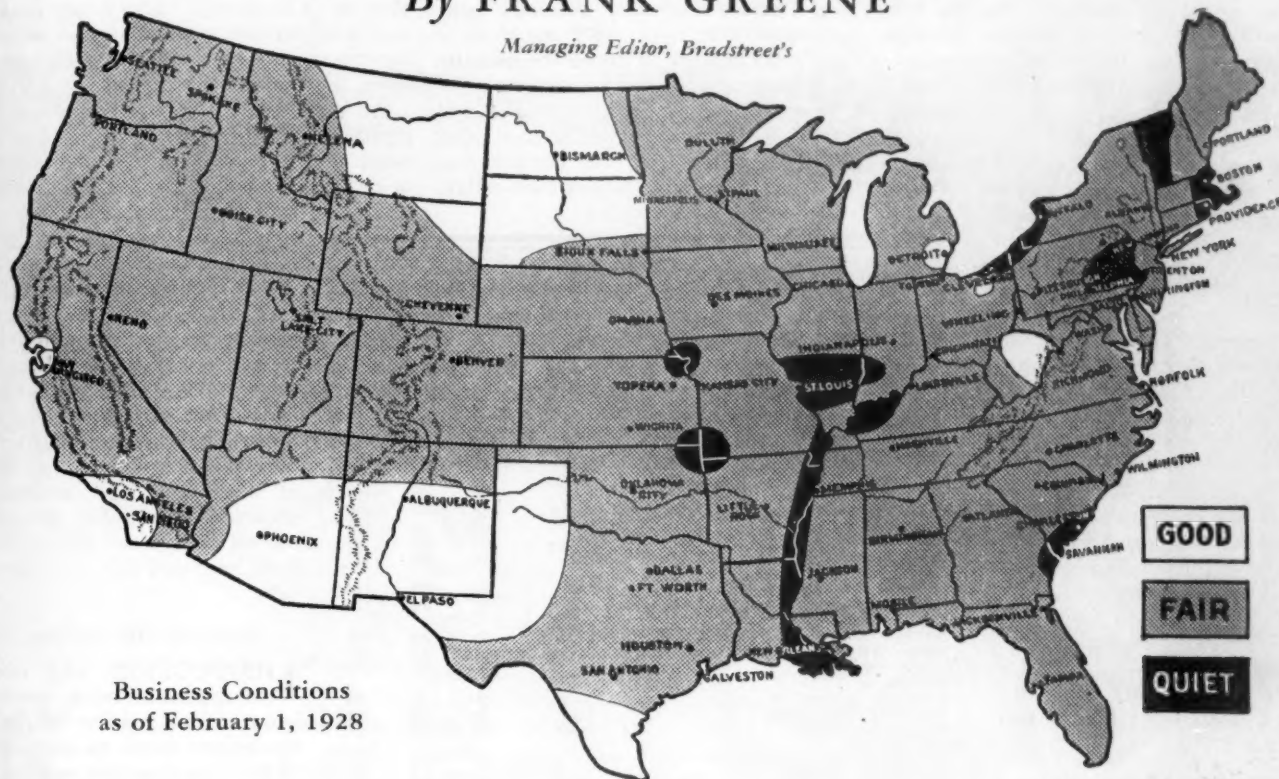
Once the farmer rushed with shot gun to slay the predatory hawk. Now he must shoo to higher levels the boisterous airplane.

But perhaps by the time a sky is filled with airplanes, the hen will have learned to accept them calmly, but if she doesn't the science which has made the synthetic bird will give us the synthetic egg.

The Map of the Nation's Business

By FRANK GREENE

Managing Editor, Bradstreet's



Business Conditions
as of February 1, 1928

JANUARY and early February saw rather pronounced forward and upward trends in the steel and automobile industries and an apparent change in the Federal Reserve banking policy concerning money. In some other activities, however, a lack of form and an appearance of waiting upon events tended to show that entry into the new year was more a matter of bookkeeping than of distinct departure in trade and industry.

Notable features of the month or five weeks other than the relatively fast pick up in iron and steel operations were:

A speeding up of shoe manufacturing accompanying further sharp advances in leather and hides.

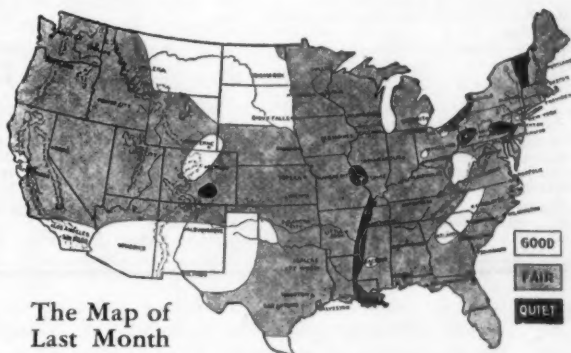
A raising of rediscount rates by the regional Federal Reserve Banks of seven districts, led by Chicago, the last to go down to the 3½ per cent rate.

A very active but none the less very erratic stock market, with a moderate downward trend of the measuring averages.

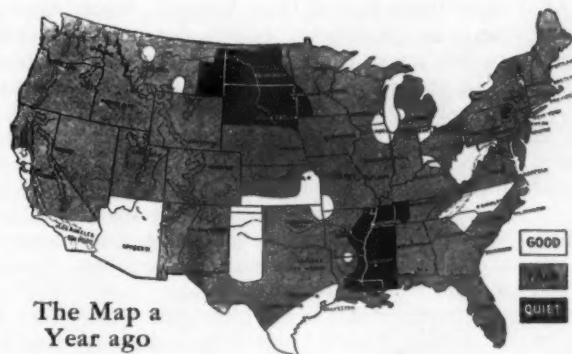
A rather slow coming to life of wholesale and jobbing trade after the year-end quieting.

An almost equally slow awakening of retail buying, which, retarded by lack of real winter

THE beginning of 1928 brought no distinct departure in trade and industry generally. The stock market was erratic. Cotton continued unsettled, and sharp price changes in several commodities may have a direct effect on farm relief legislation.



The Map of
Last Month



The Map a
Year ago

weather, seemed reluctant to take advantage of intensively advertised sales.

A continuance of the unsettled condition in manufactured cotton goods, reflecting diverse influences of announced heavy mill curtailment, with the lowest quotations for the raw staple since the first days of August; and in the first week of February a sharp rally in raw cotton prices which brought out some better buying of cotton goods.

A turn in the tide of pig iron production after nine months of recession.

A quite notable easing off in year-end failures and liabilities.

A downward trend in the Commodity Price Index after six consecutive monthly advances.

The second largest monthly total of sales on the New York Stock market, with bank clearings and bank debits dutifully tagging along with second largest monthly aggregates.

However, neither trade nor industry for January, excepting automobile, steel and shoe manufacturing, seemed to exceed the totals of January of the year before; and employment, although gaining in a few instances, appeared in the whole country little better than in December and much lower than in January,

1927. The steel trade uncovered early in January a very considerable increase in unfilled orders, which apparently resulted from the announcement early in December that prices of finished steel, and especially plates, shapes, sheets and bars, would be advanced in the first quarter. It saw operations advance sharply to an 80 to 85-per-cent-of-capacity basis. November was demonstrated to have been the low month of the last few years.

The stock market threw off its air of preoccupation in the work of advancing prices in the first week of January when a report of a new high level of brokers' loans resulted in the third largest day's sales of stocks on record. The market rallied from this fairly well until the Chicago Federal Reserve Bank on January 25 marked the rediscount rate up to 4 per cent. Advances in the San Francisco and Richmond bank rates did not cause much excitement, but on February 2 the New York Bank raised its rates, on February 6 the Minneapolis Bank joined in, on February 7 Boston and Dallas raised theirs, and there were signs that the other districts would soon follow their example.

Weather Unfavorable

EXCEPT for sharp cold weather in the first and third weeks of January, that month in the north was popularly classed as mild, but two sharp periods of cold weather about the same time in the south caused some loss to vegetable, truck, and fruit growers.

There has been a general lack of snow cover for months in all the winter wheat belt. Drouth in the southwest—Kansas, Oklahoma, West Texas, East Colorado, and Nebraska—continued unrelieved until well into February, when rain was reported in western Kansas.

The grain markets moved diversely, wheat tending to weaken, whereas corn was firmer on increased speculative interest apparently drawn from wheat.

Cotton, for the first time since August 4, 1927, fell from 23.90 cents early in September to 17.45 cents for spots at New York in February. Cotton goods eased all through January, with a 10-per-cent wage reduction announced as accepted at Fall River. Curtailment was put into force at southern mills more strictly than in December.

Mild weather; liberal stocks accumulated in preparation for the strike April 1, 1927; and reduction of industrial and domestic consumption, caused partly by slack industry last year and partly by

use of substitutes, have been stumbling blocks to the coal trade and particularly to the soft coal industry of the central competitive field, which comprises western Pennsylvania, eastern Ohio, and Indiana and Illinois.

In January and early February mine operations were slack, with one to three days' work a week in mines the measure of employment in many areas.

One effect of the great shifting of coal mining activity from union to non-union fields, for which 1927 was notable, was that West Virginia, largely non-union,

drawing sustenance from the automobile industry are showing slightly more activity. The tire trade has been active after a year of increased output and shipment, but crude rubber went off after reaching the highest price in nine months on January 1. This latter weakness was ascribed to absence of expected announcements of restriction of exports from the eastern plantations.

An interesting feature that may prove significant in the building trade was a small gain in January in the total value of permits for building in leading American cities, after ten consecutive months showing declines from like periods a year ago. Since January, 1926, only three months have shown gains. One inference that may be drawn from these figures is that building of house, office, and store structures in the larger cities is now down to normal. The elapsed portion of the year has certainly shown a perceptible gain in output and new orders for both hard and soft wood lumber.

Record Oil Output

PRODUCTION and consumption of crude petroleum and of gasoline reached the highest levels on record in 1927. Crude output was 894,435,000 barrels, a gain of 16 per cent over that of 1926, the previous record year; and consumption was 641,647,000 barrels, a gain of 3.4 per cent. The Seminole field in Oklahoma, the Texas Panhandle and Pecos fields, and the California coast areas all contributed to these enormous figures. Production of gasoline in 1927 was 330,667,000 barrels, and domestic demand totalled 297,928,000 barrels—gains of respectively 10.3 and 13.7 per cent over the peak year, 1926. Domestic kerosene takings dropped 1.3 per cent from 1926.

Though the compilations of statistics of production of electricity have been hailed as valuable measures of industrial operations, there was no reflection whatever in the 1927 figures prepared by the Geological Survey of the slump in employment and industrial output. Undoubtedly some slight measure of the enormous gain in December, when the total was larger than the entire country's output in 1903, was due to the extensive rise of electricity in household service and in public and private lighting.

The preliminary report of department store sales for January shows a loss of 1 per cent from January a year ago. In 1927 as a whole, the total sales in some 600 department stores fell one-fifth of one per cent below the 1926 total.

BUSINESS INDICATORS

Latest month of 1928 and the same month of 1927 and 1926 compared with the same month of 1925

	Latest Month Available	Same Month 1925 = 100**		
		1928	1927	1926
Production and Mill Consumption				
Pig Iron.....	Jan.	85	92	98
Steel Ingots.....	Jan.*	87	90	99
Copper—Mine (U. S.).....	Dec.	100	107	103
Zinc—Primary.....	Dec.	110	119	113
Coal—Bituminous.....	Jan.*	85	110	104
Petroleum.....	Jan.*	118	118	99
Electrical Energy.....	Dec.	130	123	111
Cotton Consumption.....	Dec.	102	114	108
Automobiles.....	Jan.*	93	99	129
Rubber Tires.....	Nov.	106	102	99
Cement, Portland.....	Dec.	115	103	103
Construction				
Contracts Awarded (36 States) Dollar Values.....	Jan.	138	124	150
Contracts Awarded (36 States) Square Feet.....	Jan.	122	102	126
Labor				
Factory Employment (U. S.)—F. R. B.....	Dec.	95	100	103
Factory Payroll (U. S.)—F. R. B.....	Dec.	96	102	106
Wages—Per Capita (N. Y.).....	Dec.	105	104	103
Transportation				
Freight Car Loadings.....	Jan.*	94	99	96
Gross Operating Revenues.....	Dec.*	92	104	104
Net Operating Income.....	Dec.*	66	93	109
Trade—Domestic				
Bank Debits—New York City.....	Jan.*	139	113	110
Bank Debits—Outside.....	Jan.*	116	105	106
Business Failures—Number.....	Jan.	114	106	99
Business Failures—Liabilities.....	Jan.	88	94	80
Department Store Sales—F. R. B.....	Dec.	113	111	108
Five and Ten Cent Store Sales—4 Chains.....	Dec.	139	127	116
Mail Order House Sales—2 Houses.....	Jan.	108	101	109
Wholesale Trade—F. R. B.....	Dec.	93	95	101
Trade—Foreign				
Exports.....	Dec.	91	104	105
Imports.....	Dec.	99	108	119
Finance				
Stock Prices—20 Industrials.....	Jan.	163	127	128
Stock Prices—20 Railroads.....	Jan.	140	122	112
Number of Shares Traded In.....	Jan.	135	83	97
Bond Prices—40 Bonds.....	Jan.	109	106	103
Value of Bonds Sold.....	Jan.	89	108	90
New Corporate Capital Issues (Domestic).....	Jan.	131	81	116
Interest Rates—Commercial Paper, 4-6 months.....	Jan.	107	114	119
Wholesale Prices				
U. S. Bureau of Labor Statistics.....	Dec.	95	96	101
Bradstreet's.....	Jan.	97	90	99
Dun's.....	Jan.	94	91	95
July, 1914 = 100				
	Dec.	Dec.	Dec.	
Retail Purchasing Power, July, 1914 = 100.				
Purchasing Power of the Retail Dollar.....	1927	1926	1925	
Purchasing Power of the Retail Dollar.....	61	59	58	
Purchasing Power of the Clothing Dollar.....	59	58	57	
Purchasing Power of the Food Dollar.....	64	62	60	
Purchasing Power of the Rent Dollar.....	60	58	56	

(*) Preliminary. (**) If December, 1927, is latest available month, percentages are based on December 1924 = 100

Prepared for Nation's Business by the Statistical Dept., Western Electric Co., Inc.

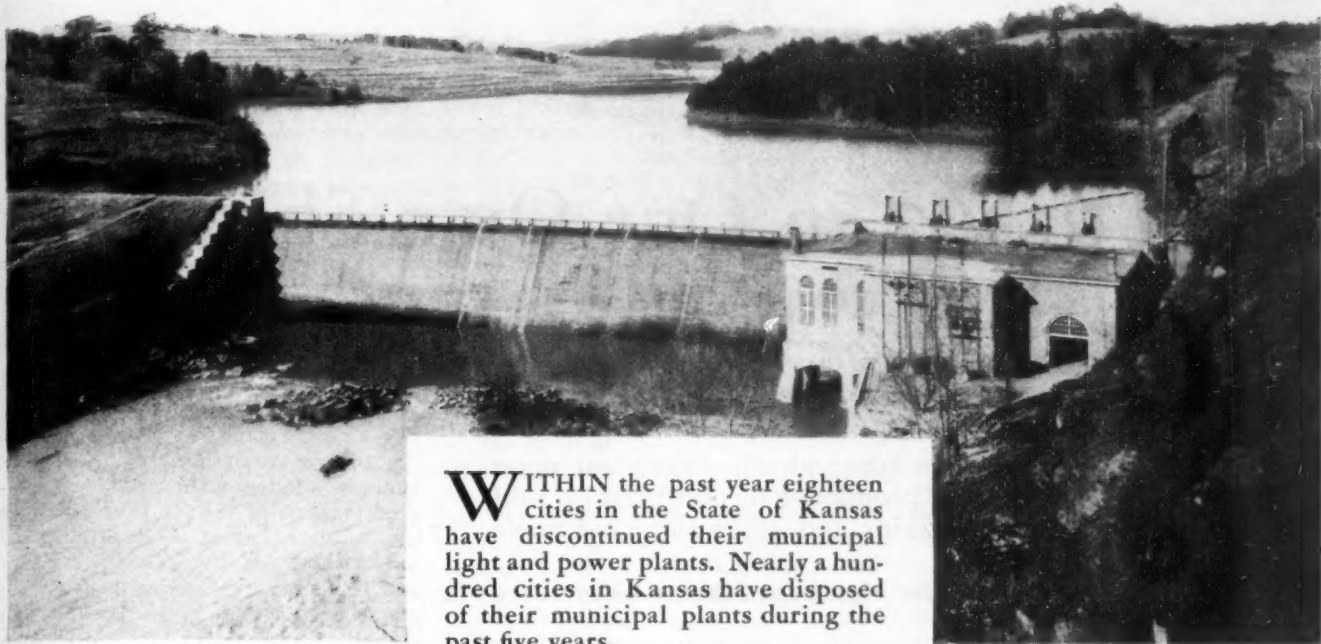
passed Pennsylvania, largely union, in the production of soft coal. Twenty-five years ago Pennsylvania production was three times that of West Virginia. Some years ago Kentucky, largely non-union, passed union Ohio as a coal producer.

In gathering up some of the loose threads of 1927 industrial and trade results, it is found that automobile outputs for December and for the full calendar year were the smallest for five years, and it is significant that the sharp uprush of steel production came soon after the active resumption of work by leaders in the automotive trade.

Stirrings of life in the plate glass trade have been reported and other industries

The Flight from City Ownership

By W. G. CLUGSTON



WITHIN the past year eighteen cities in the State of Kansas have discontinued their municipal light and power plants. Nearly a hundred cities in Kansas have disposed of their municipal plants during the past five years.

A privately owned company operating on a large scale can afford to junk good equipment and replace it with more modern equipment. Municipally owned plants cannot do so without resorting to new bond issues, going through a lot of red tape, convincing the voters that such extravagance would be economy in the long-run.—*The Editor.*

KANSAS is one of the most typically democratic spots in America. Its settlers, unable to overcome the social and economic inequalities in the older states, came into the new country imbued with the ideas of democracy and equality. In their development of a great, rich, progressive state they have hesitated at no experiment to preserve their ideals, or promote the equalities of communal life. Political faiths have been abandoned and populist ideas embraced without hesitation; powerful interests have been humbled and the ha-ha's of the world have been ignored in the confederated cause of the commonwealth's advancement.

It was perfectly logical, therefore, to expect that municipal ownership theories would become popular in Kansas as soon as they began to spread over the country. The progressive spirit of the state, even to the smallest towns and hamlets, demanded electrical service; and the political-mindedness of the people naturally brought in these modern conveniences through municipal plants.

But in the last few years there has been such a widespread movement to abandon the municipal plants that the theory of municipal ownership will soon be a thing of the past. Within the past year, according to statistics furnished by the State Public Service Commission, which must approve every sale and transfer, eighteen municipal light and power plants have been discontinued, and the cities they served have granted franchises to privately owned plants.

The number will run to nearly 100 for the last five years. Not only have the

cities been "junking" their municipal plants wholesale—often before retirement of the bonds issued to pay for them, but in several instances they have paid substantial bonuses to privately owned companies to take over the distribution systems and guarantee light and power service.

Great Faith in Government

WHY, in democratic Kansas, are such things happening on such a large scale? In no other state in the world is the politicology more favorable to municipal undertakings. The people are progressive, intelligent and energetic; their public affairs are generally free from corruption; their faith in government is so great they even believe it is possible to legislate morality into a social group. But they are actually paying money to get away from the experiment of municipal ownership and operation of light and power plants!

One of the outstanding incidents is the action of the city of Howard, which not only abandoned its plant to give the Kansas Gas and Electric Company a 35-year franchise and all of the municipal distributing system, but also gave

this privately owned company a bonus of \$10,000 to close the deal. There have been so many instances of the sort in the last few years that the League of Kansas Municipalities in the November issue of its publication carried an editorial deploring that municipal plants are being disposed of in this way, and declaring that salesmen for the corporations are forcing the payment of bonuses.

"The position of the city," the editorial states, "is this: It is in debt for the electric property which it gave to the company. It must raise through taxation sufficient funds to meet the interest and pay the bonds when they are due. It must levy the limit of two mills and take the balance from the general fund, contrary to law, to pay for its street lighting.

"The domestic, commercial and street-lighting rates are determined on the same basis as if the company had furnished the capital for building the transmission line and the distribution system. Therefore, the citizens are paying for the distribution system and the transmission line in their bills for domestic and commercial electric light and power. At the same time they are paying for the same distribution system and transmission line through taxation. The citizens are being forced to pay twice for the same property."

This editorial, from a source which champions municipal ownership, bears out the statements of the officials of private companies, and records of the state public service commission, showing that the cities and towns are actually

(Continued on page 62)



To Sea in Our Own Ships

By WALLACE WHITE, Jr.

Chairman, House Committee of Congress on Merchant Marine

Illustrations by Gordon Grant

AMERICA has become economically dependent upon foreign trade. Our productive surplus must be sold and delivered abroad. Ships and ships alone can make this necessary delivery.

Chairman White of the Merchant Marine Committee of the House says:

"I believe that the people of the United States would prefer to see the ships owned and operated by the citizens. . . . I have confidence that the accomplishment of this result can be brought about."—*The Editor*

IT IS a comforting thought, often expressed, that this country of ours is self-sufficient; but so long as the productive capacity of our farms and factories, our forests and our mines exceeds the consumptive needs of our people this belief in our own security is not justified; for an unsold exportable surplus leads inevitably to a curtailment in business activity, to depression, to unemployment, and to all the misfortunes following in the train of these conditions. An excess over our own needs must be sold and delivered abroad, and it is ships and ships alone which can make this necessary delivery.

No one would contend that it was good business for Mr. "A," owner of a department store in Oklahoma City, to depend upon a competitor's trucks and wagons to deliver to his customers the purchases made at his store. Yet American industry, highly organized, wonderfully efficient, with a productive genius that is at once the marvel and envy of the world is, without an adequate American Merchant Marine, in just about the fix of Mr. "A" without delivery trucks and wagons of his own.

The change in world conditions since the war has emphasized the truth of this statement. America's foreign trade is now of huge volume and there seems to be a more general desire among our people than ever before that a fair propor-

tion of this trade should be carried in American ships.

I venture the assertion that there is complete agreement among our people on these preliminary and general statements, but when we ask why we do not have the ships, why we are not carrying a larger proportion of our commerce, and what may be done to improve our position on the seas, we hear various and conflicting answers.

The advocates of government ownership insist that the only way to keep what ships we have, and to develop our services further is to continue governmental ownership and operation. They say that the American public is not ship-minded, that it is impossible to induce private capital to invest in ships and shipping ventures without some form of governmental assistance, and that neither the American people nor the American Congress will approve of governmental aid to enable private owners successfully and profitably to operate a Merchant Marine. They conclude that the only alternative to giving up the ships and to withdrawal from the sea is this policy of government ownership.

The proponents of this policy ignore facts, misjudge public sentiment, and close their eyes to the opportunities upon the seas now beckoning America. There are today two hundred and thirty-four privately owned and operated ships fly-

ing the American flag in the overseas trade in addition to more than a hundred tankers. The mere fact that these private lines, having no loss-paying arrangements with the Federal Treasury and facing always the threat of governmental competition, still carry on is an earnest of what might be done under a policy favorable to American shipping.

The fact that since the act of 1920 was passed, the public has been paying ship aid, paying and paying again to meet the losses of governmental operation totalling a quarter of a billion dollars in seven years, is a refutation of the assertion that the American people are not willing to pay for whatever they believe to be in their interest. I deny that the situation is so hopeless as the government ownership folk would have us believe. I believe that the people of the United States would prefer to see the ships of America owned and operated by the citizens of the country rather than by the Government. I have a conviction that they are ready to pay whatever is reasonably necessary to this end, and I have confidence that the accomplishment of the result can be brought about.

Eliminate the Handicaps

ALL HAVING any knowledge of the subject agree that there are today certain handicaps militating against the American ship in foreign trade. There is first of all the greater cost of construction of a ship here than the cost of a comparable ship in a foreign yard. This difference runs from 25 to 50 per cent, depending somewhat upon the type of ship and the country with which comparison is made.

Then there is the handicap of larger operating costs of the ship after construction. Both of these differentials are basically due to the difference in the wage scale here and elsewhere in the world, and it is obvious that these must in some way be overcome if American ships are to participate in world carrying trade in appreciable and proper degree.

There are various ways of holding out a promise of overcoming these differentials and of putting American ships upon a competitive basis with the foreign vessel. And that there may be no misunderstanding, let me clearly state that every suggestion hereafter made recognizes that if the American people desire a Merchant Marine they must pay the price for it.

First of all it is entirely practicable so to liberalize the construction loan fund, so-called, as to make it more completely available to the American citizen who desires to construct ships in American yards and to make it more effective. The construction loan fund is already in existence. It is a revolving fund of \$125,000,000 authorized to be loaned to private American citizens for ship construction in American yards upon terms definitely limited by the law.

The terms of the statute should be so changed that an American citizen may borrow for the purposes of the act up to three-quarters of the cost of his ship; the time of repayment should be extended to twenty years; and the rate of interest to be paid should be reduced to 2½ per cent or 3 per cent. Citizens of other countries have built great ocean liners through the aid of liberal loans from their governments. What others have done we should be willing to do and we can do. As our need for a Merchant Marine is as crying as that of any other nation with possibly a single exception.

Ships divide themselves naturally into two classes: the liner type, which is a

combination of passenger and cargo carrying ship; and the distinctly cargo type of vessel. We may aid each and we may aid both in various other substantial ways.

The liner type is a ship of greater speed than the cargo vessel. It is entirely practicable, with respect to this type of ship, to authorize the Shipping Board or preferably the Postmaster General to determine what ocean mail routes should be established and maintained between ports of the United States and foreign ports, the type, size, and speed of the ships to be employed upon such routes, the frequency and regularity of their sailing, and such other requirements as may be necessary to provide an adequate postal service for the United States. We should then authorize the Postmaster General to contract for mail transportation over these routes.

It's An Old Principle Revised

THESE contracts may or may not be the result of bids. The ships should be classified according to speed and tonnage, and the compensation paid for this service rendered in the transportation of our mails should be based in substantial part upon the cost of that service. This of course requires a graduated scale of payment varying largely according to the speed of service required.

There is nothing revolutionary in this suggestion. It has been adopted and followed by other maritime nations with results satisfactory to them. It was a part of the policy of the United States

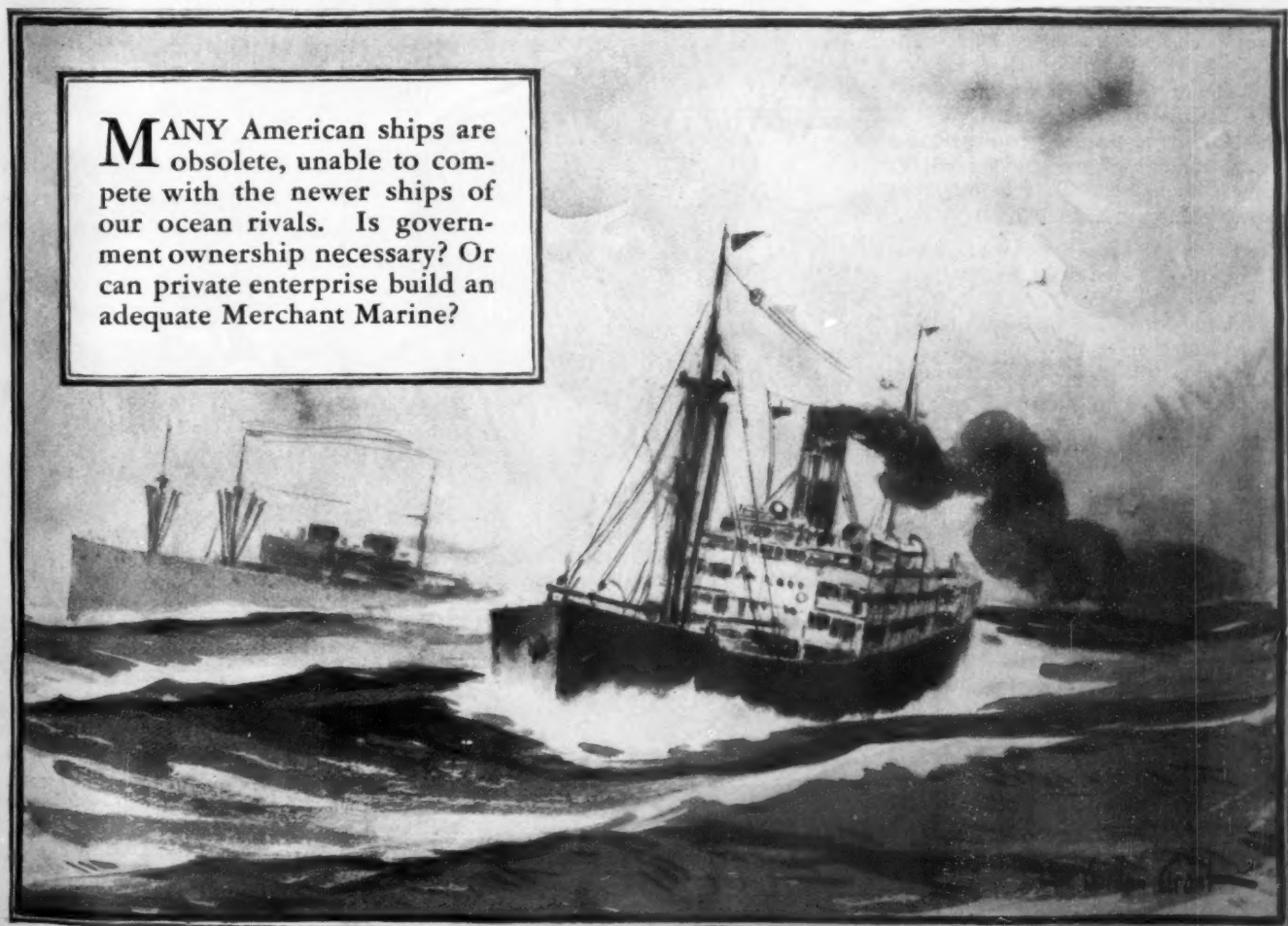
in those long ago days when the United States was supreme upon the seas. The principle is even now recognized in our legislation. It finds expression in the Ocean Mail Act of 1891, and again in the Merchant Marine Act of 1920. The difficulty is that the policy has never been continuously and aggressively pursued and that since the Act of 1891 the appropriations made for the purpose and the payments thereunder have been niggardly in amount.

An adequate measure of payment and contracts for a term of years would, in my opinion, result in the transfer to private hands of lines now operated by the Government at substantial loss, and would insure the permanency and healthy expansion of other existing lines now privately operated. There is very definite assurance that the inauguration of such a policy would result shortly in the building of superships to provide speedier and better service than the world has ever known.

The Federal Government paid the United States Lines during the fiscal year 1927, \$2,157,000 for the carriage of our mails. These lines, taking into account proper interest and depreciation charges, showed a material loss for this fiscal year. In the hands of private owners and with a like payment for the carriage of the mails, this line would show a substantial profit.

With the surety of such payments through a period of years, who can doubt
(Continued on page 56)

MANY American ships are obsolete, unable to compete with the newer ships of our ocean rivals. Is government ownership necessary? Or can private enterprise build an adequate Merchant Marine?



Movers of Mountains

Hard-working machines talk over life at a conference of power

By BERTON BRALEY

Illustration by R. L. Lambdin

THE great door of Pier 19 slid open, and a chunky switch-engine, breathing steam into the chill dimly lighted dusk of the shed, shunted a flat car along a hundred feet or so. Couplers fell away with a clang, and the engine moved out again, throwing back over its squat cab roof the remark,

"There you are, old timer. Rest easy till the junkman comes."

A wheezy chuckle seemed to breathe through his exhaust as he rolled out again and the pier door rumbled shut.

"Old timer yourself!" squealed the turret lathe on the gondola's deck, in a voice like tool steel paring down an axle when the oil-feed isn't functioning right.

"You're so ancient that I bet your cylinders had to be bored by hand. No self-respecting lathe in the last fifty years would have put a tool to such b' guess and b' gum piston-rods as you wear, you snub-nosed, sway-backed, leaky-lunged runt of a toy mogul!"

Whether the switch engine's derisive "Hooty-tooty" from his whistle was a retort to this light badinage nobody knows, for no further reply came, and he rattled away over the switches singing, as switch engines do,

"Life is a series of jolts and of jars
Thumping on switches and bumping
on cars.

Gondolas, Pullmans and box-cars I
bang,

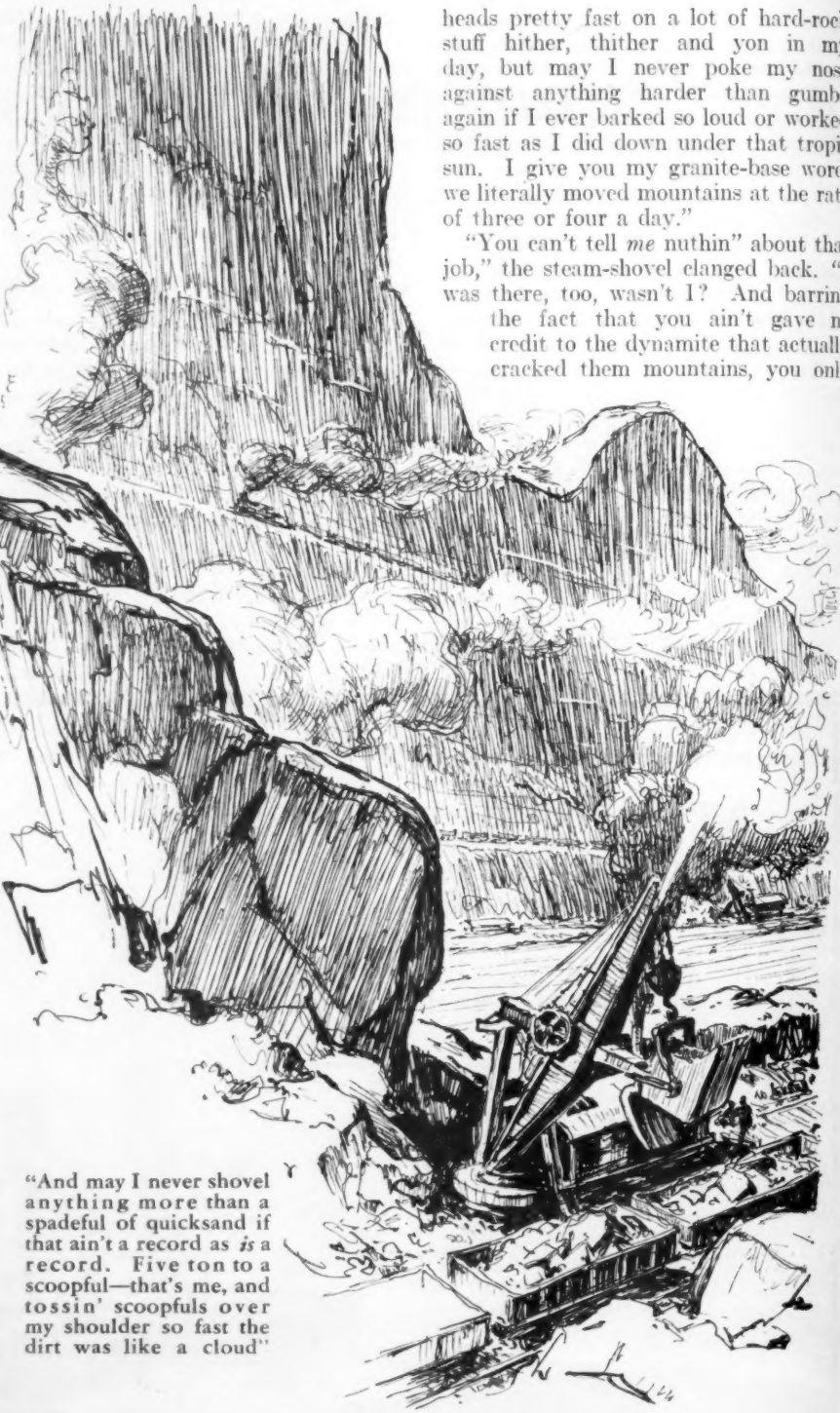
They're all the same to the switch-
engine gang"

until the sound of his exhaust died in the distance.

"You shouldn't mind *him*," said a staccato voice from what, in the half gloom of the pier, seemed to be a machine gun on a tripod. "He was just kidding you a little. He really ain't a bad fellow. Course he hasn't travelled much—just bumped around the local yards all his life—and he hasn't that jay nissey quoynone that comes from wandering all over the map, like I have. But in his rough, uncultured way he's a bit of a wit and a philosopher. All switch-engines are kinda that way. I remember one down in the Zone—"

"Say, was you on that job, too?" rumbled a huge shadowy shape, like a shanty on wheels.

"I'll tell the rock-ribbed world I was,"



"And may I never shovel anything more than a spadeful of quicksand if that ain't a record as *is* a record. Five ton to a scoopful—that's me, and tossin' scoopfuls over my shoulder so fast the dirt was like a cloud"

replied the air-drill, "me and a regiment like me. I'd like to know how they'd ever have got the canal through Culebra Cut without me and my gang. Say, we made the solid cliffs look like pepper-boxes when *we* got going, and we sure did *keep* going, too. I've worn out drill

heads pretty fast on a lot of hard-rock stuff hither, thither and yon in my day, but may I never poke my nose against anything harder than gumbo again if I ever barked so loud or worked so fast as I did down under that tropic sun. I give you my granite-base word, we literally moved mountains at the rate of three or four a day."

"You can't tell *me* nuthin" about that job," the steam-shovel clanged back. "I was there, too, wasn't I? And barring the fact that you ain't gave no credit to the dynamite that actually cracked them mountains, you only

bored holes in, I'm willing to hand it to you babies for puncturin' a lotta rock. But when you and the nitro-glycerine boys got through where was the dirt? Right where it lay, and clutterin' up the scenery and path for the Big Ditch.

"That was where me and my big boy-

friends and brothers had to dig in. If you could see the medal that's nailed to my front door you'd know who I am. Nobody but the champeen steam-shovel of the Zone, that's all. And it's stamped on brass, too.

"And may I never shovel anything more than a spadeful of quicksand if that ain't a record as is a record. Five ton to a scoopful—that's me, and tossin' scoopfuls over my shoulder so fast and continuous that the dirt was like a cloud over me and the hand-shovel gang never even got tanned—they was in the shade of that cloud all the time.

Mountains Were Moved

"THEM was the days, though. Hard work, but a battle on all the time to keep ahead of the next outfit, and that made yuh forget you was bein' speeded up like never before in history. You air-drills perforated the mountains an' th' dynamite dislodged 'em—but me and my bunch, we moved 'em.

"Still, we was built for it. I ain't backward about pattin' my own back, but a shovel my size an' strength just naturally ought to move a lotta dirt. Way I come to talk that way was this.

One night there's half a dozen of us big shovels parked together where we been workin' in Culebra, fires banked an' our crews away.

"So we gets to discussin' the Job—which is all anybody ever talked or thought about down in the Zone—an' after we has blowed our own whistles long enough we has a sort of mutual admiration society and agrees that there ain't nuthin' in the world but American shovels that could do what we done.

"I tell yuh, fellows, I says, 'it's American pep an' American energy what does it. Looka them Frogs. They comes down a few years ago to dig a canal—an' where is it? It ain't. Trouble is those foreigners ain't got no industry. They're too lazy. An' so the Frogs failed an' us Yanks has to take the job over!'

"Everybody agrees with me that there ain't nothin' like us Americans for doin' hard work—an' there it lays.

"Well, next day after that patriotic

rally I'm moved to another part of the cut. And on the way I goes past a buncha rusty little toys that looks like something a steam-shovelman's kid might be given to play with. I'm sorta handin' 'em the Ha Ha

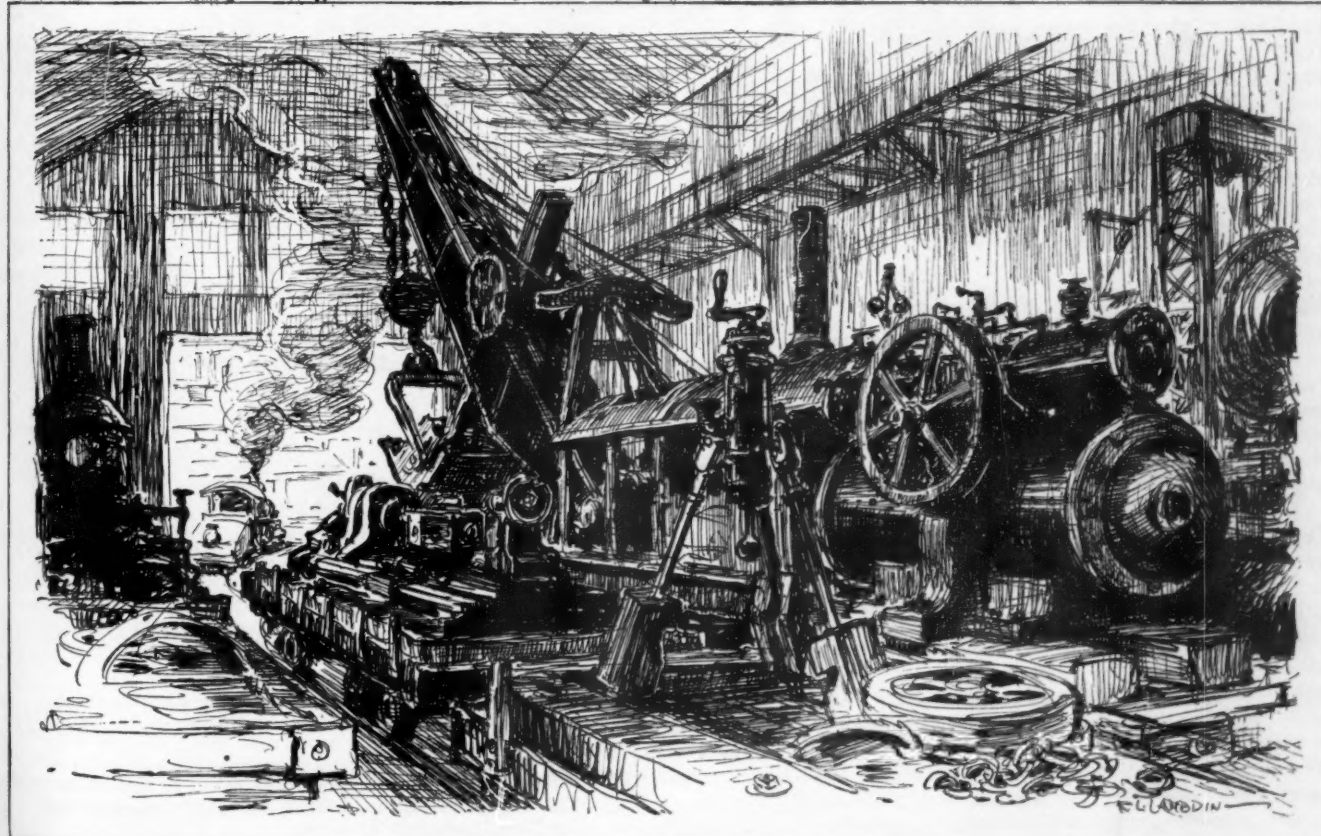
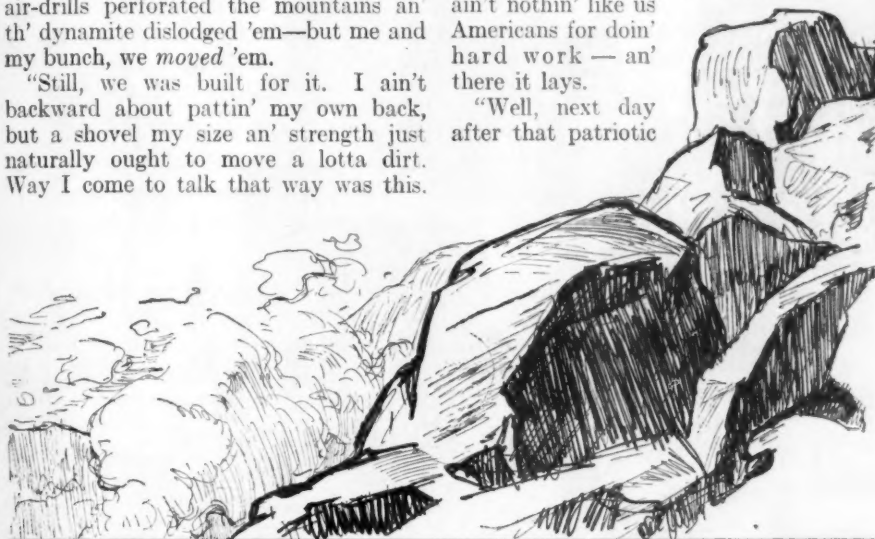
outa my exhaust when my fireman says 'Lookit the Frog shovels. No wonder them birds couldn't dig no canal with them tea-spoons to work with. You'd think they'd a had more sense than to bring over them mid-gets. No wonder us

Americans hadda take over the job.' See, just what I'd said to the gang the night before.

"Yeah,' remarks the Cap'n—the guy who handles the levers—an' a lotta good it ud a done us Americans to take over that job in them days, when the Frogs made them tea-spoons. Because all we had in the way of steam-shovels was tea-spoons, too.

Well, mebbe ours was table spoons, but that wouldn't a been much better

(Continued on page 84)





III. The Spirit of New York

An etching by Anton Schutz

NEW YORK to an American suggests bigness in business—colossal buildings—millions—tons—noise—action! Yet there is more than size. Beauty is in that bigness, as the etching of the three towers proves.

Consider what these buildings mean to the nation: The Bell Telephone, left; Woolworth, center, and the Transportation Building.



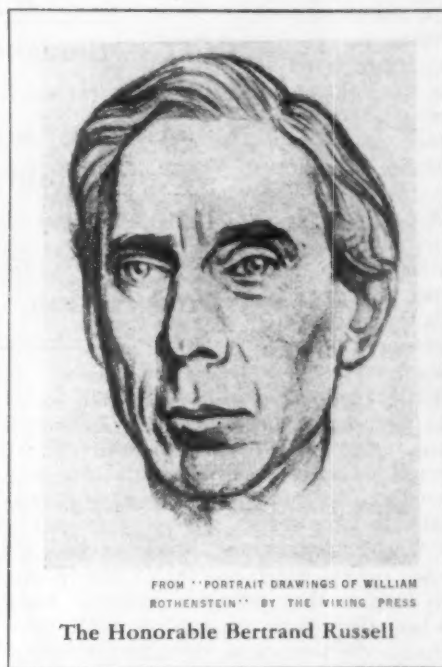
Is America Giving a Chance to Individuality?

By BERTRAND RUSSELL

BABBITT and his group activities have been subjected to prolonged ridicule on this side of the Atlantic. Here is an eminent Englishman who says that teamwork and cooperation, as practiced in America, are harmful if carried too far.

His reasoning on the differences between group and individual progress may be applied personally by every reader. It forms a working basis for self-analysis.

Bertrand Russell, distinguished mathematician, philosopher and teacher, recently visited America. This is his first expression of his views on American social and industrial life. Nation's Business will be interested to learn the reactions of American business men as they read this Briton's essay.—*The Editor.*



FROM "PORTRAIT DRAWINGS OF WILLIAM ROTHENSTEIN" BY THE VIKING PRESS

The Honorable Bertrand Russell

ANY SOCIAL group which is to achieve the highest kind of success requires a combination of two somewhat antagonistic qualities: social cohesion and individual initiative. Of these, the former gives stability, the latter brings progress. Neither alone suffices. What is needed is a correct balance between the two. It has seemed to me, so far as a somewhat superficial observation has enabled me to judge, that America is laying somewhat too much stress upon social cohesion, and somewhat too little upon individual initiative. But before considering the present position of America, let us examine the question in its more general aspects.

The classic examples of the two extremes are Athens and Sparta. In the former, individual initiative was carried to a point which gravely interfered with social cohesion; in the latter social cohesion was carried to a point which prevented the production of a single really eminent individual. The result was that Athens enriched the world, while Sparta enriched herself. But while the enrichment of the world was permanent, that of Sparta was temporary; for the framework of society in Sparta was so rigid as to make adaptation to new circumstances impossible. This was left to Macedonia, where some degree of balance between the two requisites had been established.

The Romans represent social cohesion; they are remarkably similar to the mod-

ern Americans, more so than to the British. The achievements of the Romans were in government, law, the making of roads and the establishment of an imperial administration which functioned fairly well, even in times of civil war. In literature and the arts, they were imitators and pedants; to mathematics and science they added almost nothing.

They made, however, in their own sphere, a contribution of permanent value: in spite of the period of chaos which supervened upon the barbarian invasion, it is probable that the stability of great states, which we take for granted, would never have been achieved but for the profound effect of Rome upon man's imagination.

The next conflict between initiative and cohesion was between the Arabs and the Turks. The Arabs and Persians made Mohammedan civilization; the Turks destroyed it. The Arabs carried into their empire the adventurous disposition of their forefathers who roamed the desert; in the Persians, the spirit of adventure quickened their innate capacity for philosophic meditation and artistic creation. But neither Arabs nor Persians possessed the capacity for regimentation which is demanded in the administration of a great

empire. The Turks possessed this, though they possessed nothing else. Accordingly, power passed to the Turks, while art and literature and philosophy perished.

The Vikings, next to Athens, afford the most remarkable example of the success of individual initiative alone. They settled Iceland and discovered America; from Ireland, where Roman civilization still survived, they carried off princesses to be their brides, and it was perhaps from these captive queens that the next generation learned the literary culture which it embodied in the sagas. They conquered Normandy and England and Sicily; they built the best cathedrals; they insured the triumph of the church, which represented civilization as against the turbulent and barbaric feudal nobility. In Sicily, they adapted to Christian uses the artistic excellence which the Arabs had acquired from the Greeks. The debt which civilization owes to them is immense; but it was the church, as the inheritor of Roman imperialism, that

supplied the social cohesion required to give permanence to their work.

An exact balance between cohesion and initiative has existed in few nations and in them at few times.

The three best examples, I should say, are Elizabethan England, the America of the War of Independence, and Japan at the time of the Restoration, from 1868 onward. In each of these three cases, an impulse was started which led to

“MY impression is that economic and social fears dominate most Americans.”

“MEN have come to think of progress as a law of nature; it is, in fact, rare and exceptional.”

national greatness. But it is not in the nature of human institutions to preserve their qualities unchanged through long periods of time, and no nation can live forever upon the results of one great moment.

If we lived in an unchanging world, social cohesion alone would suffice to preserve a nation in being. Even then, it would not enable a nation to make permanent contributions to the possessions of mankind except in

matters connected with government. But, in fact, a high degree of social cohesion can only be obtained by means of a creed or code so firmly implanted in youth as to make fresh thought impossible in later years.

The Peruvians and Mexicans had a fixed policy, which was highly successful so long as they remained isolated; but when they came in contact with the Spaniards, they were quite incapable of the new modes of action which the changed circumstances demanded. And rigidity is incompatible with fundamental scientific discovery, as well as with artistic excellence, except in carrying on a tradition handed down from a more vital epoch.

Civilizations, as a rule, decay; the instances of progress are quite exceptional. A few centuries in Egypt, a few in Greece, a few in the modern western world, contain almost the whole stock of the world's discoveries and creations. Modern men, limiting their purview to recent times, have come to think of progress as a law of nature; it is, in fact, rare and exceptional. Therefore the causes which produce it demand careful study, if we are not to enter upon a new phase of immobility followed by decay.

One of the most noteworthy things about progress is the small number of eminent individuals upon whom it depends.

If Kepler, Galileo and Newton had perished in infancy, the modern world as we know it would probably not exist. Possibly someone else might have done their work; but at any rate the elimination of a hundred men would have prevented the rise of modern science.

It is not to be supposed that, from a biological point of view, the races of western Europe had more innate mental capacity after the Renaissance than they had before it. The great difference in

output must, therefore, be attributable to social conditions. Until Newton, practically all the scientific pioneers were to a greater or lesser degree, in revolt

against established beliefs. Before the Renaissance, education was such as to render revolt very rare, and social discipline was such as to render revolt ineffective when it occurred. In the Renaissance, a admiration of antiquity rendered higher education, for a short time,

more or less revolutionary, because the schoolmen wrote bad Latin and knew little or no Greek.

In this atmosphere, Copernicus was able to support his innovations by the authority of certain ancients who were rendered respectable by the general revolt of the learned against Aristotle. And this revolt, in turn, was useful to Galileo. The combination of erudition with revolt against tradition is one of the most unusual features of that period, and undoubtedly the main source of its immense achievements.

It is not vehement and extreme revolt that has proved fruitful in the past, but moderate constructive revolt. There is nothing valuable in a general opposition to authority as such; what is valuable is well-informed opposition on definite matters as to which the individual can have well-grounded hopes of ultimately alter-

ing the opinion of authority. This requires an education which is not dogmatically rigid; for rigidity produces either acquiescence or violent reaction. There must be social conventions, and they must change from time to time. The problem is, to make them sufficiently

strong for the necessities of social cohesion, without making them so strong that they cannot be changed except by generating huge forces of violence and disruption.

In short, a successful society is one which admits of the activities of the liberal as opposed to the conservative and the revolutionary. The decay of liberalism throughout the civilized world is a sign that we are not coping with our difficulties as successfully as we did during the nineteenth century. The form

of failure is different in different countries, but in one form or another it exists everywhere. It is the American form that I wish to consider in the remainder of this article.

America has been transformed by immigration—not only through the mere presence of the immigrants, but also through their effect upon the older stocks. Defensive mechanisms have been brought into play, to preserve American traditions from being lost like a river in the sand. Unfortunately, this process has itself destroyed one of the best American traditions, namely, that of the pioneers. The typical pioneer is a man of exceptional courage and enterprise, usually with a love of adventure, and aiming at the conquest of nature mainly by his own initiative. His circumstances allow and even demand a degree of individualism which exceeds what is useful in a more settled existence.

I have frequently been told by Americans that the individualism and initiative of the pioneer still survive in the older American stocks. I must confess that this is not my impression, except possibly as regards a few of the most successful multi-millionaires. My impression, for what it is worth, is that

economic and social fears dominate most Americans, and that the dread of being in any way peculiar is greater than in any other country

known to me. Conversely, the hostility of conventional people towards anything unusual (except recognized foreign celebrities) is also greater than in most civilized nations. The reason of this I take to be the effort required to assimilate the foreign population—an effort to which much that would otherwise be desirable has had to be sacrificed.

As always happens when a situation demands some special kind of effort, a whole outlook upon life has been developed unconsciously to suit the situation. Persecution, political and theological, is the darker side of the picture. The lighter side is a great stress upon social cooperation, group consciousness, being a good mixer, and so on. In education, so far as I could discover, this is stressed alike by the conventional authorities and by the reformers, the only difference being as to means.

In the public schools, children of immigrants learn (no doubt without deliberate intention on the part of the authorities) to despise their parents and the nation of their origin, thus losing whatever might have had value in the European tradition. Artistically, especially, this is often a serious loss; but where wholesale and rapid Americanization is important, there is probably no easily discoverable way of avoiding it. Where, however, the children of the well-to-do in private schools are concerned, there is no such problem. The

(Continued on page 121)

“IT IS thought contrary to the spirit of democracy to recognize superior intellectual ability, except in those who have already succeeded in some obvious fashion.”

“AMERICAN industrial life is intellectually parasitic.”

“IT IS generally recognized in American universities that those who are eminent in football should not be worried by intellectual requirements. I am pleading for the converse . . .”

What Do We Get for Our Money?

By WILLIAM FEATHER

Illustration by Lejaren à Hiller

FOR the last ten years I have been getting satisfaction from the thought that machine production, although not a perfect substitute for the standards of the so-called good old days, was bringing a host of things within reach of the pocketbooks of millions of people who had previously been denied anything except bare necessities.

I expressed this thought in articles which were printed in certain newspapers. From one reader I received a long complaining letter which was so disturbing that I had it copied and sent it to ten of my friends. I discussed its criticism with another ten, asking them bluntly: Is the so-called cheapness which we credit to the machine a delusion? Are we getting a lot of junk for our money?

The critic wrote:

"I am thirty years of age; married—no children. I gave up a soft white collar job paying rather well, as these sort of jobs go, to enter a factory at twenty-five dollars per week. I went from thirty-eight hours per week to forty-eight hours and now I am working that forty-eight in five days. I am a foreman in a tin factory, and am now getting fifty per week (\$2,600 per year) and know that it won't be long before I get \$3,000. This in less than two years.

"I like my job. I like to see the fruits of my labor and thinking pile up and leave the department, knowing that it is up to snuff. I like to see my equipment humming and my men satisfied. I am interested in overhead, reduction of costs and the shortening of time on jobs. In other words—I think I am a good foreman.

"I pay a decent rental for my apartment. Every time I take a shower the floor is soaked; the windows won't open; the parquet floors won't polish and are beginning to bulge. The walls, instead of being straight, curve in. Paint has been slapped on every which way; the doors in the cupboard stick, etc.

"I ordered a suit, overcoat and topcoat from a widely advertised house. They cost fifty, fifty and forty-five, respectively. The garments are about the

cheapest in tailoring that I have ever had on my back. Seams puckering, collars ill-fitting, and I really am ashamed to wear them where a well-dressed crowd is liable to collect. I've had them back two or three times—even wrote to the head office. The result?—applesauce!

Decidedly Unseaworthy

I BOUGHT a ship model from a department store. The hull evidently was fashioned out of green wood and after two months a long crack made its appearance from bow to stern. No exchange could be made. I had had it too long.

"I have been using a certain safety razor blade for ten years and have secured any number of shaves from the single blade. However, they jazz it up by calling it a foreign technical named steel and I am lucky to get *two* shaves from the same blade.

"I bought a drop-leaf table. The workman while assembling it let one end of the drop leaf pull away from him while screwing on the hinge. Instead of removing it he hit it a blow with his hammer and bent the hinge so that the leaf

would open and close, but not snug enough to allow the bracket to swing into place. I had to take off both hinges and rehang the leaf.

"I have just taken a brand new electric percolator out of the box. In doing so, one of the bolts and screw nuts fell out of the socket.

"A bridge lamp whose socket was made of such thin gauge brass that I had to have a whole new connection; an automatic cigarette lighter that leaked at the corner. The dealer replaced it with another, and that leaked. He then refunded my money. Not to mention a magazine rack whose bottom fell out because the assembler forgot to drive nails in the sides. These incidents without end—do you wonder that some of your daily messages give me a pain?

"But get this straight, Mr. Feather. Neither my wife nor myself is a bargain chaser.

"Furthermore, we do not have charge accounts nor have we bought one single item on the instalment plan. We buy from such stores as Macy, Gimbels, Oppenheim-Collins, etc. And when any



"The garments are about the cheapest in tailoring that I have ever had on my back" writes the correspondent of Mr. Feather. How far are we justified in placing the blame for cheap quality as well as the praise for cheap price on machine production?

of the above-mentioned articles was purchased at these stores they immediately exchanged it. But I repaired or adjusted these things myself in order to save time and confusion. And in my opinion it was not their fault, nor should these incidents deflect from their good will or reputation.

"It is the manufacturer and his methods—production spurred by piecework prices that in many cases don't permit the proper inspection before the merchandise leaves the plant. In the case of the clothing purchased, this concern

was the retailer as well as the manufacturer, who no doubt works on the basis of a given population and an average sale thereto; not necessarily the same individuals—but a sale.

"And so you have your answer to what the workman is getting, and that is—cheap, mediocre merchandise, both necessities and luxuries. The worker's little dance to the tune of thousands of automatic drill presses singing a song of 80-130 R.P.M.!!!"

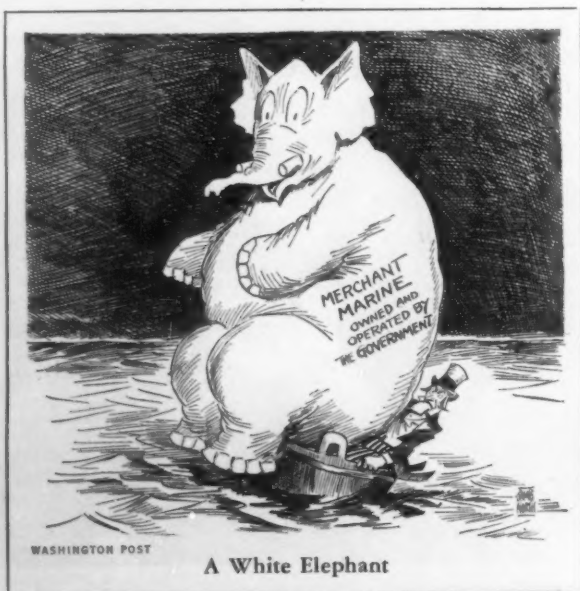
Answering this complaint, a young

woman, a stenographer who supports herself, wrote:

"I can remember when it was quite the thing to make your own lace. But now machine-made lace has come into its own. Certainly lace made by hand is more valuable, but the average person cannot afford it and, further, cannot in most cases tell the two apart.

"Ready-made clothes were considered, not so very many years ago, to be just as badly made as the price was cheap. Perhaps they were then. But now the
(Continued on page 70)

LOOKING AND LAUGHING AT BUSINESS





The Veterans' Committee of the House endeavoring to get the facts from expert witnesses on a proposed \$16,000,000 appropriation

UNDERWOOD & UNDERWOOD

In the Workshops of Congress

By CHESTER LEASURE

AT THE last session of Congress — the 69th, the latest previous to the Congress now in session — 23,832 legislative proposals were introduced in the two Houses, 17,415 in the House and 6,417 in the Senate. Averaged, that represents forty bills by each representative and a bit over sixty and a half by each senator.

These proposals ranged all the way from measures to provide—and spend—some four billions of annual revenue to a code regulating Sunday observance in the District of Columbia.

Such figures as these foster the impression that the law-making industry, like manufacturing, is geared to mass production, and that our representatives and senators in Congress are engaged in a breathless marathon of law making.

But it isn't really as bad as it seems. Any congressman will tell you that relatively few of the multitude of proposals introduced ever get within the pages of the law books.

But the country is in no real danger from dearth of legal enactment. The "Fewer-Laws Club" needn't disband, thinking its mission on earth accomplished. For, referring to the output figures of the 69th Congress, we discover that, of the 23,832 bills introduced in the two houses, 1,422 were passed and approved. Those figures show that the enactment average of senators and representatives for the 69th Congress was a bit over two and a half laws each. Of these 1,422 new laws, 807 were within the definition of public laws; the rest were private bills—pensions, claims and the like—and resolutions.

What of the 22,410 bills not passed?



CONGRESS is made a butt for jokes on the ground that it talks too much and works too little. But it does work even without considering the many requests from its constituencies. In order to study the 24,000 measures introduced during a session, Congress has to split up into little congresses and work like the very deuce.—*The Editor*

Some passed one house and failed in the other. But by far the greater number were weighed, measured and rejected in the workshops of Congress, the committee rooms. One new legislator, in the fine flush of resentment at the ruthless decapitation of a pet bill in one of these workshops, denominated them the butcher shops of Congress.

Among these 22,410 bills that failed, were many "introduced by request." The committee members, being congressmen,

understand this little gesture. Ordinarily, but not always, the member introducing such a measure has no idea, and frequently no desire, that it ever will come

back from committee. Sometimes he even hopes it won't, because it would cause him no end of trouble to have to vote to make it a law.

Why, then, litter the record and clutter the committee pigeon-holes with such waste paper? The answer is simple and sufficient. The bill, perhaps, represents the chief purpose in life of an earnest constituent, or club, or group in the member's district. The congressman must introduce it and make a showing of zeal in pressing for its consideration if he would keep its crusading sponsors off his back at home.

A distinguished New England senator not long since leaped into nationwide notoriety by describing a certain much debated act of Congress as "a jackass law." Shortly after, a veteran member of the House said to me: "The senator should have told the rest of the story."

"And what's that?" I asked.

"He should have gone on and said there would be fewer 'jackass laws' if there were fewer 'jackass' demands made on Congress and congressmen by the home folk."

Which is but another way of saying that a congressman or senator can't be much better than his folk will permit.

Not all the legislative litter that deluges the committees each session emanates entirely from outside demand, for here and there among the membership is one zealous for the regeneration of the world. Such a one, who singly and unaided introduced some eight hundred

bills last session, was of a group of congressmen invited to a White House breakfast early last year. There was then much speculation in newspapers and elsewhere whether "Cal" would call an extra session.

During the breakfast talk, this legislative zealot bumbled:

"Mr. President, is there really any likelihood of an extra session?"

To which the President, according to my informant, an eye and ear witness, replied in his most pronounced New England accent, "Well, if all those bills of yours are to get a hearing, it looks as if there'd have to be."

Too Great a Veto Power?

BUT not all the bills that fail to come back from committee for action are jackass bills. Now and then a meritorious measure is strangled in committee. This is the abuse of a good thing. It gives rise to occasional criticism of the committee system as vesting too much power in a small group—"little Congresses" exercising too great a veto power.

The proponents of this argument declare that every measure has a right to a fair and square hearing from Congress on its merits. They say it is subversive of the representative principle to permit a small group of these representatives to pass legislative proposals in preliminary review and to say what measures shall and what measures shall not have their day. The practical answer to this is to speculate on probable progress if the 531 members of Congress, of House and Senate, were to attempt to weigh and consider the merits of each and all of those 23,832 measures.

I asked a House member—a man of twelve years' congressional experience, an able lawyer, a congressman with high regard for the duty of his position—this question:

"Do you study all bills introduced so that, when called upon to vote upon them, you may have a basis of appraisal of their merits?"

Congressmen Are Kept Busy

"**D**O YOU really understand what you are asking me?" he countered. "Have you any conception of the time it would take to do nothing more than read all of them?"

I confessed it was a leading question, to bring out the sheer enormity of the physical task involved.

"Well," he said, "I don't. No member can. He simply hasn't the time, in addition to the other things he must do—if he expects to stay here."

"Meaning," I said, "the things the home folk expect of you?"

"Yes," he answered.

"Since you can't take time to read all these proposals, how do you make up your mind how to vote when and if they come up for final passage?" I asked.

There was no hesitancy in the answer: "Unless they are measures of broadest

national and party interest, or unless they are measures in which my state and district are acutely interested, I rely on the judgment of the committee that has investigated the bill and sent it back to the House for action.

"Let me illustrate how this committee system works out in practice," he continued. "I am a member of the Judiciary Committee. It is one of the so-called major committees whose members are relieved of other committee assignments. As a member of this committee I become thoroughly informed as to all the details of measures that come before us, requiring our investigation and action.

"The more time I take to become informed as to such measures and issues, the less time I have to become informed as to the intimate details of appropri-

tions, revenue measures, questions of transportation, public lands, Indian affairs, agriculture, reclamation, and the many other important and technical questions Congress must consider.

"While our committee is at work, let us say, on a revision of the federal bankruptcy laws, or considering a proposal to legalize purchasing pools of American interests to cope with foreign selling monopolies in such absolute essentials as rubber, or some equally technical and equally time-taking task, the other committees of specialists are at work on other questions of equal importance and requiring equally technical and minute treatment.

"When the Judiciary Committee completes its work on a given measure and reports it to the House for action, I am in position to discuss that measure on

Business Men You Have Read About



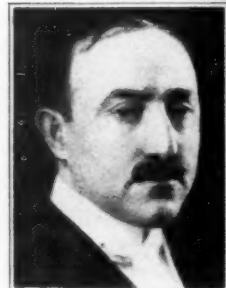
LAND HO!

Captain Herbert Hartley of the *Leviathan*, who has crossed the Atlantic a thousand times in 35 years, has given up going down to the sea in ships because he says greater business opportunities are to be found on land



KEEPS MONEY BUSY

F. H. Ecker, vice-president of the Metropolitan Life, finds work for the company's income of approximately \$12,500,000 every week — \$650,000,000 a year—and makes it earn nearly 6 per cent by careful investment



FAME IN FILMS

William Fox has "moved" up in 25 years from one picture theater of 146 chairs and \$7.30 "gate" to control of more than 300. The 250 he acquired in the West recently seat 350,000 and earn \$35,000,000 annually



HI! TAXI!

Not so long ago Thomas B. Hogan started in as a driver with the Yellow Cab Company. But one car was not enough to keep him occupied. Recently he became vice-president and general manager of the company



A STEEL WOMAN

No mere lavender and lace and high teas for Mrs. Stevenson Burke of Cleveland. She is one of the three women who own and control the \$70,000,000 Corrigan-McKinney Steel Corporation, and is active in the organization



DISEASE FIGHTER

Alfred Lasker, hale and hearty, has made a fortune as an advertising agent. He gave a million dollars a short time ago to assist in a campaign against the troublesome ailments that menace the middle aged

the floor. Members of the other committees are equally well versed in the measures they have considered and reported.

Congresses of Specialists

"SO THE big task of Congress—legislating for 118,000,000 folk, with widely diversified interests—is broken up into parcels or segments, and the specialists to whom each parcel or task is assigned are able to set about the tasks simultaneously, thereby getting through the entire congressional program with some degree of dispatch and with infinitely more care, speaking now as to the individual items in the program, than if the entire Congress attempted to take up each of these questions, one at a time, and perform all the necessary preliminary investigation. As a matter of prac-

tical fact, if it were not for the committee system Congress would be hopelessly swamped. There simply has to be a division of work."

Tasks undertaken in these workshops of Congress are of tremendous magnitude. For example, it requires a book of 852 printed pages to report the hearings of the House Sub-Committee on Appropriations for the independent offices of the Government—the Interstate Commerce Commission, the Shipping Board, the Alien Property Custodian and the like. This is but one detail of the big job of the Appropriations Committee, and the task of the Appropriations Committee as a whole is but one of the tasks on the program of Congress.

A few years ago a witness appearing before a House and Senate Joint Committee on Transportation held the stand

for five days on direct examination and was cross-examined by members of the committee for five days more!

There are 80 of these workshops—legislative laboratories; 46 in the House and 34 in the Senate. Tasks and duties assigned them range all the way from finding the money to run Uncle Sam's government to the disposal of waste paper. And congressional waste paper is no small thing, for not long since the House Committee on the disposal of such wastes reported that it had realized \$18,000 from salvage sales.

The relative rôle of the committees vary with each session, as the character of the issues before Congress shift and change. To be sure, the fiscal committees—those charged with getting and spending money—are always busy. This is not to say that other committees haven't many demands upon them. But the urgency of the demand varies with each session.

When the Treaty of Versailles was up for ratification, the Senate's Foreign Relations Committee monopolized the spotlight.

Committees Do Most Work

WHEN the postal employes of the country presented their claims for increased pay and subsequently, when the bill awarding the increase was vetoed by the White House with the admonition to Congress to find the money before increasing wages, the work fell largely upon the committees on post offices and post roads. In the present session the demand of the users of the mails for a more equitable postal rate structure presents a task for these committees.

Congress now is confronted with the task of providing against the disastrous recurrence of such calamities as last year's Mississippi flood. And the committees charged with the preliminaries of such legislation are much in the picture. For many sessions past these particular workshops, while not idle, have not been the scenes of such bustle and activity as now.

I have said that the fiscal committees are busy each session. This is true in the very nature of things. So vast, indeed, are the demands and so intricate the questions involved in the spending of Uncle Sam's money that the appropriation committees are forced to divide this task, assigning specific duties to sub-committees of the general committee. These sub-committees have in turn the aid and assistance of the experts of the various departments of the Government whose appropriation needs are involved, and as well the guidance of the estimates of the Bureau of the Budget.

It's a custom to lash out at Congress as being free with the federal taxpayer's money, but the facts are that, since the Bureau of the Budget was first established down to the end of the 69th Congress, the actual appropriations of Congress have been less, each session, than the total recommended by the Bureau

(Continued on page 80)

In the Passing News of the Month



NICKEL TO DOLLAR

David A. Schulte, chain cigar store magnate, plans to go into the variety business with a thousand stores selling merchandise from five cents to a dollar. The stores will be departmentized with sections for each price



IT'S "APPLE SAUCE"

Samuel W. Reyburn, president of Lord and Taylor, condemns the advertising slogan, "The customer is always right," as ridiculous and harmful in business. He is on a civic committee asking for more traffic tunnels



HISTORIC BANK

John S. Baker succeeds his father Stephen Baker, as head of the Bank of the Manhattan Company. This company, now a bank only, was founded by Alexander Hamilton; it gave New York its first water supply



NEW ON I. C. C.

Claude R. Porter, Democrat from Des Moines, who ran for the Senate recently, has been appointed by President Coolidge to succeed Henry C. Hall of Colorado as a member of the Interstate Commerce Commission



1,000TH STORE

J. C. Penney established his thousandth store recently, acquiring the business of W. J. Keyes in Beloit, Kansas. The chain stayed out of Beloit until Mr. Keyes, tutor of President Sams of the Penney Stores, retired



ACHIEVEMENT

General John J. Carty, vice-president of the American Telephone and Telegraph, for achievement in telephone engineering and research, has the Fritz medal to wear with Longstreth, Franklin, and Edison medals

Business Cycles—Wheels of Chance?

Is the financial forecaster working more scientifically than the palmist or clairvoyant?

By PERCIVAL WHITE

Illustrations by Charles Dunn

IS THE business cycle an exploded theory, or a demonstrated law? Must we always have at more or less regular intervals periods of inflation followed by depression? To put it bluntly, can't we have good business without inevitably having it followed by bad? Must we keep an eye cocked on a chart while we go on talking about "underlying trends"?

Ask me another. For me, an everyday business man, such questions are too much. I am afraid the business cycle idea has not yet been made fool-proof enough for me to use it. It does not enlighten me. I am as much in the dark as ever. I cannot even get the business cyclists to tell me flatly whether we are in for hard times in 1928!

Business, to my way of thinking, is just as much of a venture as it was before the economic cycle was heard of. The element of chance has by no means been eliminated. Statistics have made some business men feel more secure than they had any right to feel, but to most of us this cycle is simply another wheel of fortune which has been added to the great gambling machine.

"Let It Go Hang"

I HAVE watched this theory of business cycles rather narrowly. In my observation, those executives who have stuck to their knitting, and let it go hang, have come out best, on the whole. When all is said and done, they get about as far as the business men who consult palmists, clairvoyants, and other prophets and experts.

A friend of mine confided to me, the other day, that he had spent no end of time worrying about cyclical ups-and-downs. You might have mistaken his offices for the kennels of a pack of data hounds. Every conference was a statistical drag hunt. The walls were plastered with charts showing everything from the number of freight cars per inhabitant to the ratio between bottle production and the death rate.

Then, one lovely morning, my friend gave all these statistics to the janitor. The same day he issued instructions for everybody to "lay off" the business cycle. That was some time ago. Today

he is glad he did it. The energy formerly spent squaring the cycle is now devoted to selling goods. My friend's business has been expanding rapidly. He has been making large profits. Some of his competitors, on the other hand, have been curtailing, and have taken a loss.

His business is like most others, these days. He belongs to a trade association which supplies its members with no end of "dope" on the business outlook. There is no such thing as a monopoly on statistics any longer. Hardly does a cloud form on the horizon but these business meteorologists hang out the hurricane signals. One might suppose that every cloud meant a storm.

For two years, on and off, we have been warned, more or less directly, that

business was headed for the rocks. A group of statisticians whose reputation, a year and a half ago, was good, predicted, at that time, that by the end of 1927 general business would be 14 per cent below normal. Fourteen per cent is a lot. They advised the faithful to liquidate their stocks, cut down their organizations, and get ready for hard times. Some concerns took this advice.

A well-known college forecaster predicted that we should have a major recession in 1926 and 1927. Fortunately, he did not belong to one of those colleges which is selling its profound experience in business to the tired business man. For in the university which sells statistics it is better to be right than to be president.

Cyclic statistics make the head to whirl, the hair to stand on end. They are hedged about with so many "if's" that their victim knows not where to turn.





It would be easy to give examples of similar prophecies. The past records speak for themselves. The cyclist's worst enemy is a client with a filing system. The automobile business is a good illustration. The manufacturers were warned, but they were too thick-headed to listen. They have kept on plugging, full speed ahead. Even yet, they have not come to their slough of despond. They may be riding to a fall, and they may not remember what cometh before a fall. Still, they have reason to be proud.

This is an extreme case, like the others I have mentioned. There are probably more instances of those whose forecasts were substantially correct than of those who guessed wrong. Most of the bad guessers are buried by this time. All in all, I believe the chief value of the forecaster of business conditions is to tell you about them after they have occurred.

Some forecasters are too wise to commit themselves entirely. They always leave themselves a loophole. If they hint that such-and-such a thing is going to happen, they will qualify and modify and barricade themselves with "ifs" till they fairly bristle. There is nothing dishonest about this; it is just human nature.

But is this kind of information practical? Does it help? Are equivocal predictions of any value? Directors expect executives to think in terms of action. Executives turn to the business cyclist for help. He takes a position which I call a straddle. And the executive is no better off than he was before.

One winter's day, when I was a small boy, my father took me to walk on Boston Common. There used to be, in those times, and there may still be, what was called the Frog Pond—a pond by courtesy, 3 or 4 feet deep. That morning there was a thin coating of ice—perilously thin. Some big boys, after a running start on the bank, would make a dash and attempt to cross the pond. As a result, its shattered surface was dotted with boys up to their chests in water. The thing which struck my juvenile mind was that the attention of the entire crowd was centered, not on the boys who were in distress, but upon the one boy who happened at that instant to be making his dash and had not yet broken through. He was a hero until he hit an air hole.

Which Cyclist to Follow?

IT IS the same with the business cyclists. I, as a business man, place my reliance on the one who is not, so far, all wet. It is a question of using my judgment to pick the boy who has the best chance of getting across the Frog Pond. And how am I to do that?

There is hardly a business cyclist who will not admit that his dope has not been wrong at least once. Such admissions perhaps do as much to build confidence as to dispel it, for common sense tells us that accuracy in predictions of this sort can at best be but comparative. The thing which does shake the confidence of the business man is the great disparity of opinion among those who claim prophetic ability. While there may not be so many cyclical theories as there are cyclical theorists, there are enough to bewilder any layman.

The net result of this situation is that

the ordinary business man has no idea of where the truth lies, nor whose "system" is most sound. He cannot be expected to have the technical knowledge nor the patience to discriminate among a dozen different dogmas. Is it any wonder if he decides to rely on his "hunch," or to take the advice of the oracle on the cracker barrel?

One would think that, for their own benefit, the cyclists would have a meet and thrash this problem out. If the cycle is anything but a myth, why can they not learn what the laws are which govern it? I admit there is more than one way to kill a cat, but there cannot be twenty best ways to do it. And to put a trade-mark on a scientific method, or on a chart embodying that method, seems more like charlatanism than like science.

Let's Orient Our Cycle

I WILL venture to say that there is not a single cyclist who can inform you today how near we are to a business depression. They may look wise and reply that they do not believe one is imminent. Their alibi may be that one cannot occur until money rates advance and stocks are liquidated. But that is about as far as they go. In plain English, they don't know. So say we all. What good is a clock without hands? The cyclists think they have given us a clock face, but, even so, that of itself tells us nothing. What we want is the hands to indicate where we stand at the present moment.

As I write, I have before me a booklet called "Basic Facts of Prosperity in 1920." I treasure this book all the more because of the irony of that title. But it was anything but a joke to those who acted on the strength of it in 1921. This book was prepared in the spring of 1920 by an organization of national importance. It was intended to carry conviction, and it did, propaganda or no propaganda. It is all right for you and me to recline on the tombstones tonight and have a post-mortem laugh at this book, but it looked just as good, at the time, as the rest of the dope sheets.

The "Basic Facts of Prosperity in 1920" certainly was basic. It contained charts of every business barometer, every market index, and all the cyclical flora and fauna known to man. These basic facts proved that prosperity was just naturally inherent in the conditions which existed in the spring of 1920. But, by the time the ink was dry, business was on the toboggan.

I know this is not a fair example. But it has its moral. Someone told me that the man who wrote the book should have been fired on the spot. But why? He was a good man, and he wrote according to his lights. To fire the man for doing this would be as senseless as was the ancient custom of beheading the harbinger of bad tidings.

Even as we were on the verge of a panic, this man could not see the writing on the wall. But suppose he had told

(Continued on page 78)

FROM LOWLY BEGINNINGS INDUSTRY ROSE



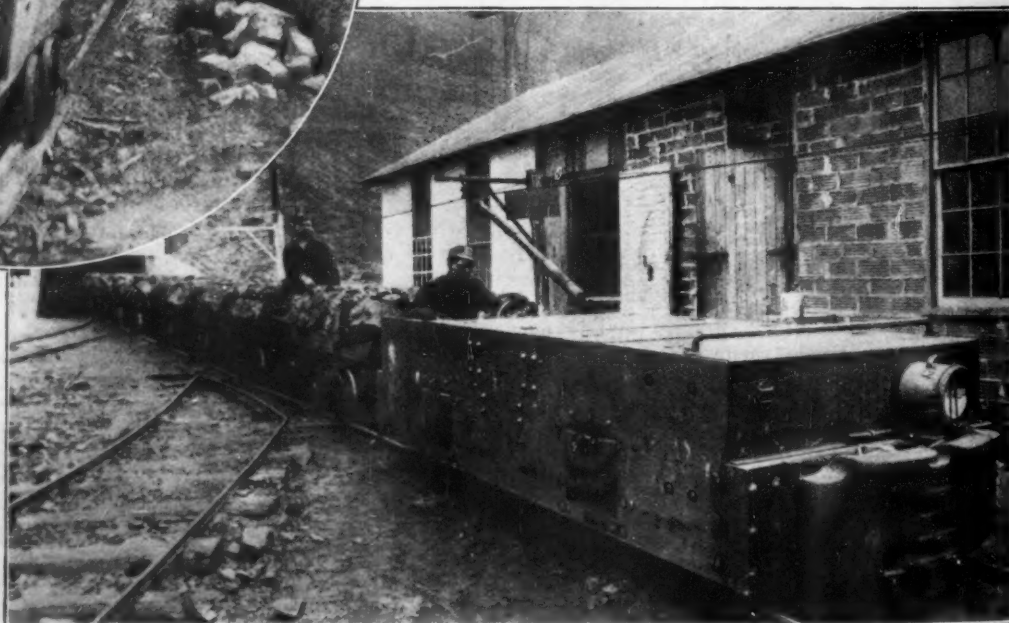
In Bolivia the picturesque native with his ox-drawn wooden plow scratches a single furrow. In California a tractor pulls a double gang of steel discs that cut eight

IT IS a far cry from primitive to modern methods of labor; yet both are in use now, linking the centuries, telling the story of human progress, stirring pride of accomplishment, and holding forth glorious promise for the future



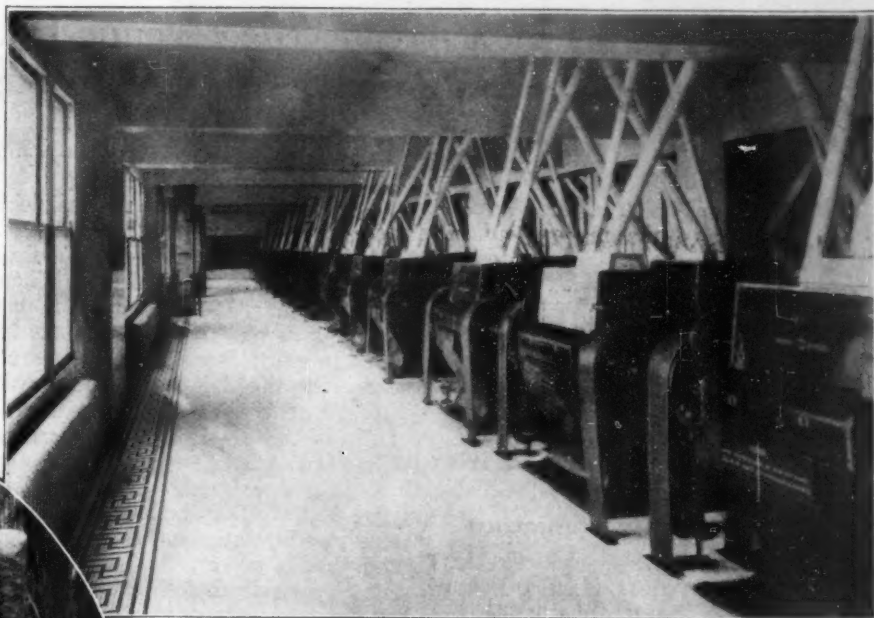
EWING
GALLOWAY,
NEW YORK

This rickety push car bumps along its homemade track laden with coal dug by hand from an Ohio hillside. Not far away the electric locomotive hauls a trainload taken by modern methods from a mine in West Virginia



GHOSTS OF THE PAST STILL LINGER TODAY

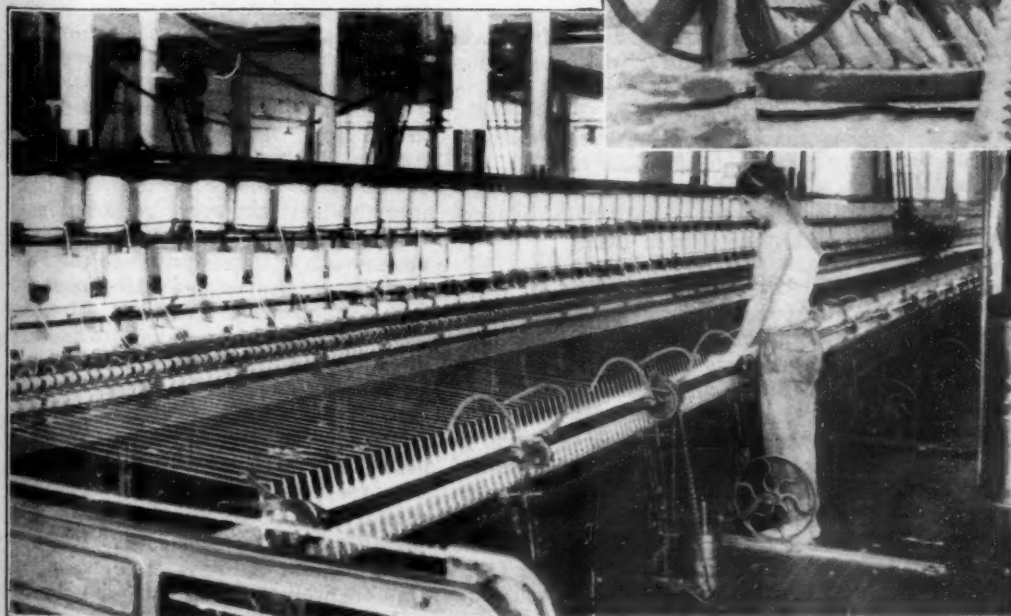
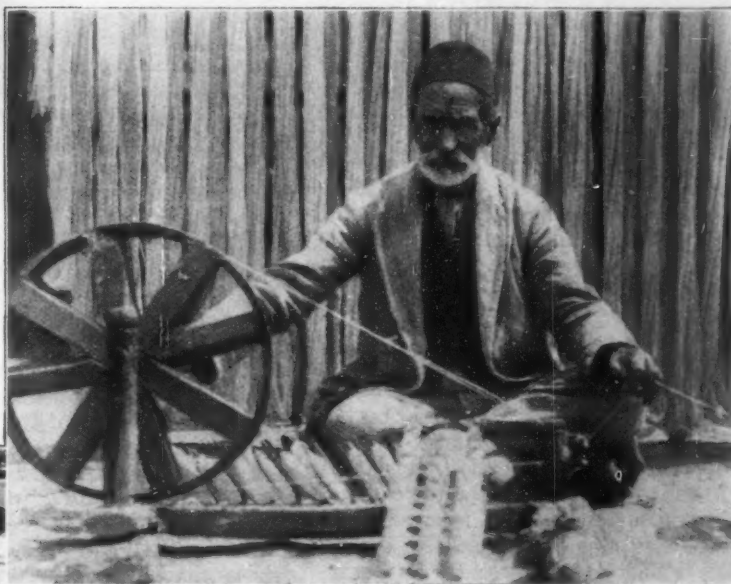
DOUBTLESS the time will come when the tractor, the gang plow, the electric train, the power-driven rolling mills, spinners, and the like will themselves be quaint and nearly obsolete in contrast with up-to-date machinery



Great rollers in Minneapolis mills grind a store of tons of fine, clean flour daily. The East African woman's method produces only a little coarse meal for one baking



EWING
GALLOWAY,
NEW YORK



The old wool spinner in Aerivan, Russia, might serve as an artist's model, but with his crude hand wheel can hardly compete with the shirtless youth operating the multiple thread machine in the Massachusetts Mill

Why Is Tax Reduction Denied?

The delay in passing the revenue bill is unjustifiable
and a great handicap to business

By MERLE THORPE

THAT reduction of federal taxes would be the major item of new legislation in the present session of Congress was announced early in October, 1927. The Ways and Means Committee of the House of Representatives met on October 31, more than a month before Congress convened, to hold hearings on tax reduction legislation. The plans and desires of every part of American life were presented to this committee.

Federal Income Underestimated

EXPERIENCE has shown that for the last seven years there have been surpluses in the Treasury of from \$250,000,000 to \$600,000,000 over and above the amount set aside for debt reduction. It was readily admitted that a surplus of more than \$450,000,000 is to be expected at the end of this fiscal year and that there will be a surplus of more than \$250,000,000 in 1929. These estimates come from the same sources which have underestimated federal income regularly for the last seven years.

In addition to the possible need of reducing revenues, the tax law manifestly has so many inequitable and conflicting practices in its administration that a revision is essential. A special Joint Committee of Congress has studied this problem for nearly a year with the aid of experts from civil life.

With these facts before it, the House of Representatives, in the first three weeks of Congress, passed a tax bill. Some items in this bill meet strenuous opposition from certain groups of the American people; others the Administration opposes. When received by the Senate, it was pigeonholed by the Senate Finance Committee.

The Senate Committee has held the bill for two months without action. It has not studied the provisions which have raised considerable opposition. It has held no hearings. It is jeopardizing a tax reduction which the people of this country have every right to demand.

Instead of being handled immediately, when legislation upon its merits was possible, the bill is now subject to such partisan legislation and riders that it is possible no measure will be passed by this session of Congress.

In this event, it is safe to say that the country will again have a surplus—of more than \$600,000,000 on June 30, 1928, and of nearly \$500,000,000 on June 30, 1929, taken from the American taxpayer for a purpose not directly authorized by Act of Congress. This pur-

pose is the reduction of the national debt faster than is authorized by Congress.

It will mean that the American taxpayer will pay off more than a billion dollars on the national debt from his taxes in 1928 and an equal amount in 1929. In other words, one-quarter of the revenue raised in this country will go to debt reduction. This is not sound.

If it is the desire of the American public to pay off the national debt faster than the rate required by law—approximately \$500,000,000 annually—Congress should pass legislation and let the public know what to expect.

An alternative, unless taxes are reduced, is increased appropriations. For seven years Congress has appropriated less money than has been recommended in the President's budget.

This is a most remarkable situation, for usually throughout history Congress has appropriated more than the Administration has recommended. How long this condition will continue is problematical. With unappropriated surpluses amounting to a half billion dollars each year in the Treasury, the temptation of Congress to engage in a campaign of spending is great.

It is contended by some that taxes should not be reduced because we may have bad times. Excessive taxes on corporations are a handicap to continued prosperity.

The charge that the bill before Congress will so reduce taxes as to endanger a proper balancing of the budget is not defensible.

Official estimates used by the Ways and Means Committee took corporation earnings for 1925 as the basis for returns in 1927 and 1928. Every index shows that in 1927 corporation earnings were nearly equal to those of 1926. On this basis there will be at least \$150,000,000 more from corporations in the coming fiscal year than in 1925.

Corporation Taxes High

FROM the return of the last two quarters of 1927 there is no sign of a falling off in corporation income tax payments. From the bank statements of January and the Federal Reserve statements there is no sign of a falling off in business transactions. The reports of leaders of industry, and the reports from the Department of Commerce and the Treasury hold out the promise that 1928 will be a successful business year. There is no sign that 1927 and 1928 will show business profits as low as those of 1925.

It has been stated that we can expect

a great decrease in returns from back tax cases. The Bureau of Internal Revenue has fewer back tax cases before it, but the reason is that they have been transferred to the Board of Tax Appeals. This Board has before it the greatest number in its history, the amount involved exceeding \$600,000,000.

Experience has shown that the United States Government wins more than half of these cases. The estimate of receipts from back taxes is easily \$50,000,000 too low.

Eager to Get Facts

PROFESSING a desire to get figures of 1927 incomes, the Senate has decided to wait until after March 15. There is no way to make a fair statement on the March 15 returns of the income from corporations or individuals until all of the returns have been sent to Washington and carefully tabulated and studied. Much more than a month will be necessary to get an approximation.

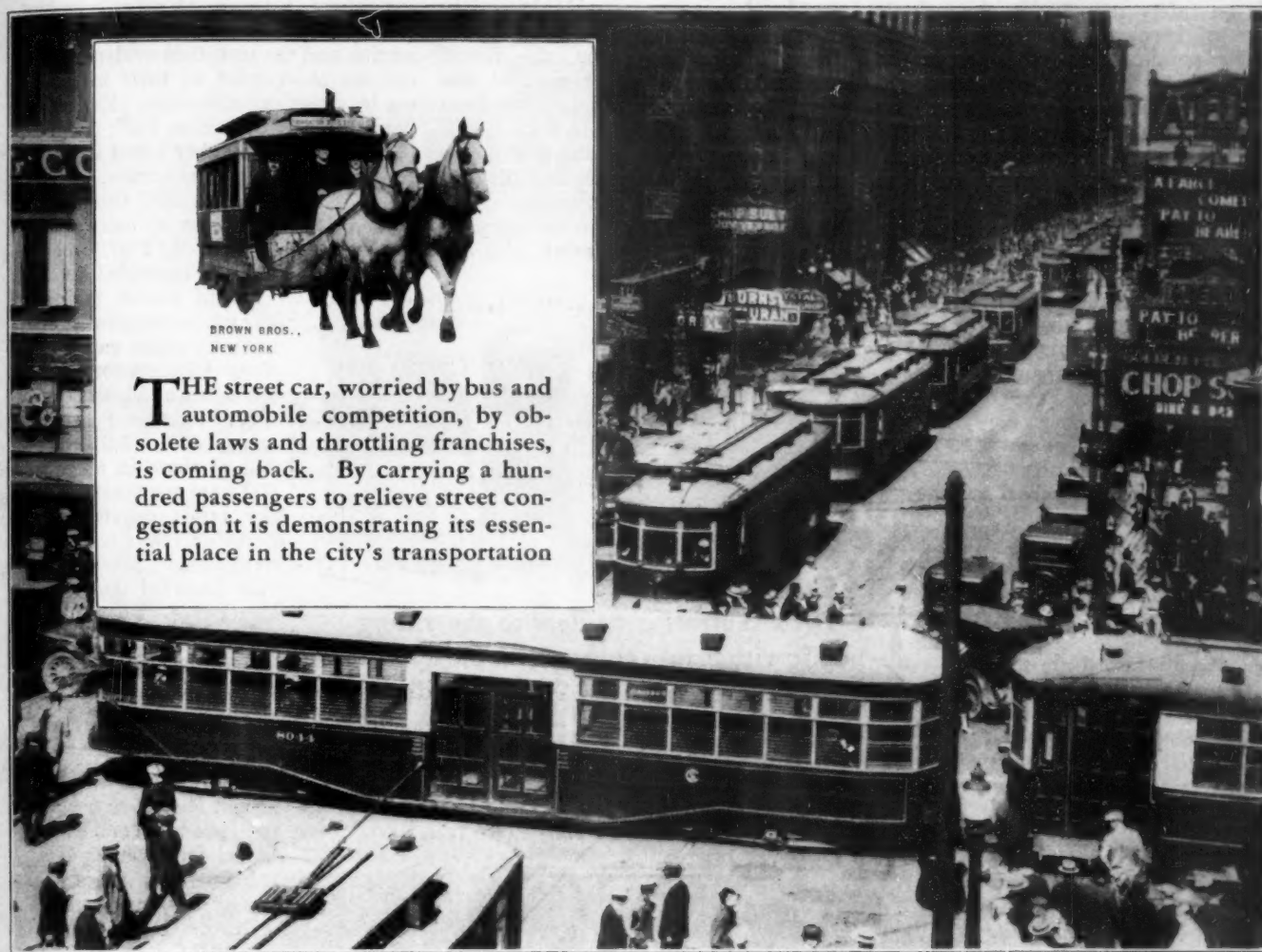
If business expects tax reduction, it is going to pay its income taxes in installments; whereas in ordinary years many other corporations with small taxes pay the total amount in March. This was shown in 1924, when 32 per cent of the total collections were paid in March. In 1926, with a tax bill pending, only 26 per cent of the total tax collections were paid in March. Really accurate facts cannot be available before June.

If every tax bill in the future is to be delayed until figures for the next year are available, tax reduction will become a will o' the wisp; for the figures for next year are not available until the year after. *Manana* never comes.

Meanwhile, business must wait for relief on taxes. It must hesitate as to its fiscal policy for the next two years. It can make no definite plans and it must face the fact that every corporation in this country may have to pay almost one-seventh of its net profits to the Federal Government and another one-seventh to the state government. The corporations today are taxed approximately 25 per cent of their net incomes for national, state and local purposes.

Any blame which may exist for the failure of Congress to exact tax legislation belongs on the shoulders of those who are keeping Congress today from considering the measure.

If the taxpayer wants tax reduction in this session of Congress he can get it only one way, and that is by the continued insistent demand that the subject be taken up and acted upon immediately.



EWING GALLOWAY, N. Y.

“Right Up Front, Please!”

The street railway industry is taking a tip from its own phrase

By RAYMOND WILLOUGHBY

IF OUR street-railway industry was ever headed toward eclipse, it is now coming back from its post-war twilight. In big towns, and in smaller towns, a new vigor, a new vision of service, is on view. Almost it might be said that the companies have gone “collegiate” in the color schemes for their cars. But it is in the comforts and conveniences, the silence of operation, the faster and more frequent schedules that the companies are making their most convincing bid for business.

Specific measures of this progress in local transportation are at hand in the considerations for awarding the current Charles A. Coffin and Anthony N. Brady prizes. The Grand Rapids Railway Company won the most recent Coffin award for the outstanding increase in its business and the improvement of transportation. Established by the General Elec-

tric Company in honor of the late Charles A. Coffin, and administered through a committee of the American Electric Railway Association, the 1927 Coffin award included a gold medal and \$1,000 for the employees' benefit association. Previously, it had been won by the Chicago, Milwaukee & North Shore Line; the Northern Traction Company of Fort Worth, Texas; the Pittsburgh Railways Company, and the Pennsylvania-Ohio Company, Youngstown.

The Grand Rapids Company's decision to provide highly colored cars with the comfort and convenience of luxurious automobiles was the prelude to a general overhauling of its financial structure and its service facilities. Paraded through the streets, the new rolling stock bearing the names of prominent citizens got close attention. Crowds along the downtown streets cheered when the

brilliantly painted cars appeared. More spectacular was the burning of the old equipment at a public bonfire. The evidence is that fifty thousand car riders saw the mayor apply the torch.

By the company's financial reorganization securities were so rearranged that annual fixed charge obligations were reduced \$90,000 and past unpaid fixed charge items were cancelled. Stockholders relinquished all claims to back dividends. Gross revenues were increased 20 per cent, and accidents were cut 22 per cent. Employees now counsel with department heads and are paid for suggestions that promise improved service. Free uniforms are provided to employees whose records are clear of accidents. A definite effort is made to get children to use the cars for outings and picnics.

Monotonously familiar as the empha-

sis on safety may be, it was only by dint of keeping its employes and the public continually alert to danger that this industry in thirteen years was able to cut the number of accidents per thousand of population from 3.2 to 1.6. The things that are helping to push that figure farther down are worth telling in some detail.

The three medals for accident prevention and health promotion work, in 1927, given under the Brady Memorial Award, were won by the Louisville Railway Company, the El Paso Electric Company, and the Tide Water Power Company of Wilmington, N. C. For its excellent record the Pittsburgh Railways Company received honorable mention and a certificate.

Representative of the practices in this behalf are the contributions of the Louisville company. Bright spots in its record are the illuminated "car turns" signs to warn motorists, safety zones marked with substantial pillars, and loading platforms with the ends protected by lighted bulwarks visible to motorists.

For the passenger's comfort, thought has been taken to provide lighting fixtures to give the best light. Car ceilings are painted white, and handholds are made of a material easily kept clean. Dome-type ventilation has been supplemented with a vacuum system. Waste baskets have been installed under car floors to catch sweepings. Individual lockers for platform men are provided at all car houses, and there is an abundance of showers. Trainmen find it not only easy but inviting to keep clean.

Health measures reflect careful planning. Car sheds are enclosed to protect workmen from exposure. Heaters have been moved forward to give warmth to operators of one-man cars. Wooden strips on vestibule floors keep feet out of puddles during rains. Free physical examinations are offered. Sick benefits are reported less and health generally better because of the nursing service provided by the cooperative association.

Even though no accounting yardstick

is at hand, it is demonstrable that safety provisions do cut maintenance costs. In Louisville, for illustration, the record number of car miles per accident was raised by car house competition from 6,000 in 1922 to 79,650 in 1926. This total becomes more significant with the rise of motor car ownership and the consequent increase of street traffic.

During 1924 the Louisville company rolled up 11,662,241 car miles, with 370

somewhere between those extremes. Everywhere buses are seen in the public service, and the statistical evidence bears out the observation of their increasing use by street car companies. From January, 1921, to December, 1927, the number of companies using buses increased from 16 to 351, and the number of buses from 74 to 9,229. In 1917 the average number of buses in use by each operating company was 4.6. By 1927 the average had expanded to 26.3.

About 18,000 miles of bus routes are now in operation by street car companies. Of that total, 3,200 miles were added during 1927. Purchases last year amounted to 1,800 buses, and of those in use about 400 were scrapped. Not all the buses acquired were new, for about 5 per cent were bought second hand. "De Luxe" buses are no longer rare. They are now operated by many street car companies on routes parallel to city tracks to give a sort of super-service at a higher fare. For their track routes, the street railway companies last year bought about 900 new cars, the lowest number purchased for several years.

Figures on mileage included in street railway management indicate the magnitude of their operations, and the scope of bus transportation. At present, the aggregate of street car and bus mileage is close to 64,000 miles—a grand total that is nearly 50 per cent greater than the pre-war mileage served by the local transportation business. Track additions during the last ten years have gained over abandonments, for 4,000 miles of new line were added and 3,800 miles were taken out of car service. On 450 miles, buses replaced the cars.

In 102 representative bus operations through 1925 and 1926, as reported by street railway companies, the returns for the second year reveal 2,979 more

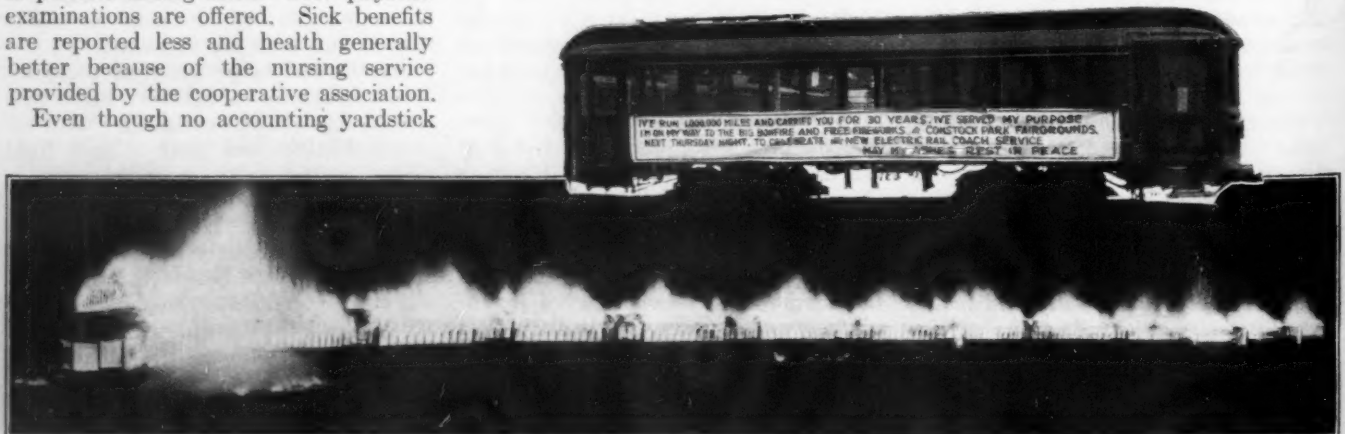
(Continued on page 102)



TODAY'S street car caters to the riding public with bright colors, genuine leather seats, easy-riding springs, Pullman-dome lighting, correct ventilating, trainmen trained to give service. The de luxe car shown here is of streamline construction; most of the noise has been eliminated from the trucks

cars sent to the shops for accident repairs at a cost of \$12,395, and a settlement expense for accidents at \$106,119. Two years later, the car miles had increased to 12,022,097, but the cars sent to the shops for repair dropped to 284 and the repair cost to \$8,692, with the accident settlement expense cut to \$92,539. During the same period, automobile registration climbed from 48,551 to 58,893.

But even a man in a limousine can see that street cars are not the whole of city traffic. The bus that appeared on the transportation horizon ten years ago was prolific. Will its offspring supplant or supplement the street car in local transportation? The answer is



Fifty thousand persons came out to see the mayor of Grand Rapids start this bonfire of old street cars. Though on casual inspection these cars seemed serviceable, the railway company scrapped them to make room for more modern equipment

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—the new Chevrolet light delivery truck provides the greatest available combination of fine appearance, dependable performance and outstanding economy.

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Division of General Motors Corporation

Yet this bigger, better and more rugged truck is offered at an amazing new low price—one of the most spectacular examples of value-giving in the entire history of the commercial car industry!

Your Chevrolet dealer can provide a body type designed especially to meet the requirements of your business. See him today—and arrange for a demonstration of this remarkable truck.

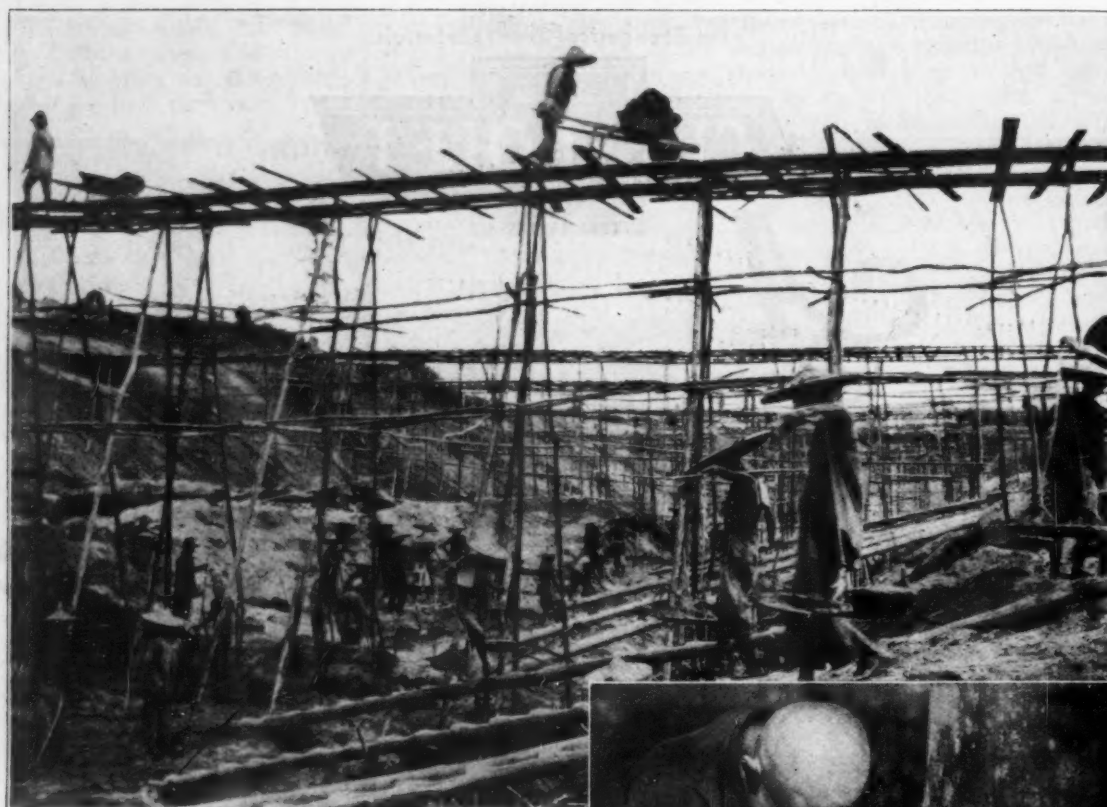
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PHOTOS BY
EWING
GALLOWAY

British Malaya, the Land of Rubber and Tin

By JOHN G. ILIFF

REGIONAL specialization and far-flung transport combined bring distant unpronounceable lands daily into our local lives. Panang, Perak, Johore, and Singapore, for example, keep us daily company. We may have but the haziest notions of them or British Malaya, their geographical anchorage; but this land of rubber and tin sits with us daily at our meals and rides with us daily on business or pleasure.

It is Perak tin that gets together with Pittsburgh sheet iron in Philadelphia and makes the non-corrosive sheet that becomes a can in San Francisco and brings us our California fruit in perfect state; and it is Brazilian raw rubber grown along the Strait of Malacca that comes 10,000 miles to Akron to be made into balloon tires so that we may roll around on air.

May the goose-neck of Southeast Asia never sink into the sea overnight like a lost Atlantis. It would be too much of a blow, not only to Wall Street and Lombard Street, but to Main Street.

Another factor in creating British Malaya's commercial importance has been the rise of Singapore at the great eastern gateway of the Pacific, with an extensive entrepôt trade. The Pacific basin has, all told, nearly one-third of the earth's combined population—540 million people on its Asiatic side and 23 million on its American side.

A Trade Center of Pacific

SINGAPORE sits at the gateway between China's 380 million, Japan's 80 million, and the Dutch Indies' 50 million on one hand and India's 300 million and Europe's 425 million on the other. This and its extensive local trade with the nearby regions of Malaya, Siam, and the East Indies have made it a port of prime importance.

British Malaya includes four political



(Above) How tin is mined where labor is plentiful and machinery dear. The Chinese miners in this Malay mine have built these frail-looking runways for wheelbarrows. There is not a modern piece of machinery on the site. (Below) A workman tapping a rubber tree near Singapore. The Federated Malay States are the principal source of crude rubber

divisions: The Straits Settlements, the Federated Malay States, the non-Federated Malay States, and North Borneo. It has an area of some 130,000 square miles, 53,000 of which are included in the peninsula proper.

Singapore, at the south end of the peninsula, is only two degrees north of the Equator and this 200-mile-wide, 400-mile-long British possession has a marine climate. The rainy days number from 160 to 200 a year throughout the peninsula, and there is no great difference in winter and summer temperatures. This tropical climate and rainfall



For years heavy castings have been dropped on and shoved across this section of Metallic Hardened Master-built Floor in the American Blower Company's Cincinnati Plant.

Another corner of this Cincinnati floor has been used as an anvil for riveting sheet metal parts. In neither case has perceptible damage been done the iron-clad concrete surface.

CONCRETE ANVILS

YOUR floors are anvils under the constant pounding of heavy trucks, the dropping of heavy castings, and the grinding movement of heavy traffic.

Under modern industrial conditions only the best hardened concrete floors can survive. Master Builders Method provides the particular type of hardened concrete floor your business requires—one that will serve you better, longer and

more economically than any other kind of floor.

Since 1911, Masterbuilt Floors have been serving businesses of all kinds and hundreds of installations 10, 15, and 17 years old are still giving perfect service.

Your floors when installed by Master Builders Methods will be permanent assets to your business for years to come.

THE MASTER BUILDERS COMPANY, Cleveland, Ohio

Factories in Cleveland, Ohio,
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Sales Offices
in 110 Cities

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with reliable Malayan labor form the base of Malaya's "rubber" affluence, of which British capital, cheap sea transport, and the American rubber market are the superstructure.

The population of British Malaya is a little over four million, the federated and non-federated groups having a little more and the Straits Settlements and British Borneo a little less than a million each. Singapore is a city of 350,000 population, while Panang and Kuala Lumpur have 125,000 and 80,000 respectively. The indigenous Malays make up 48 per cent of the population, the Chinese 35 per cent, Indians 9 per cent, and Europeans (including Americans and Australians) but 15,000, most of whom live in the Straits Settlements.

Malays Not Commercial

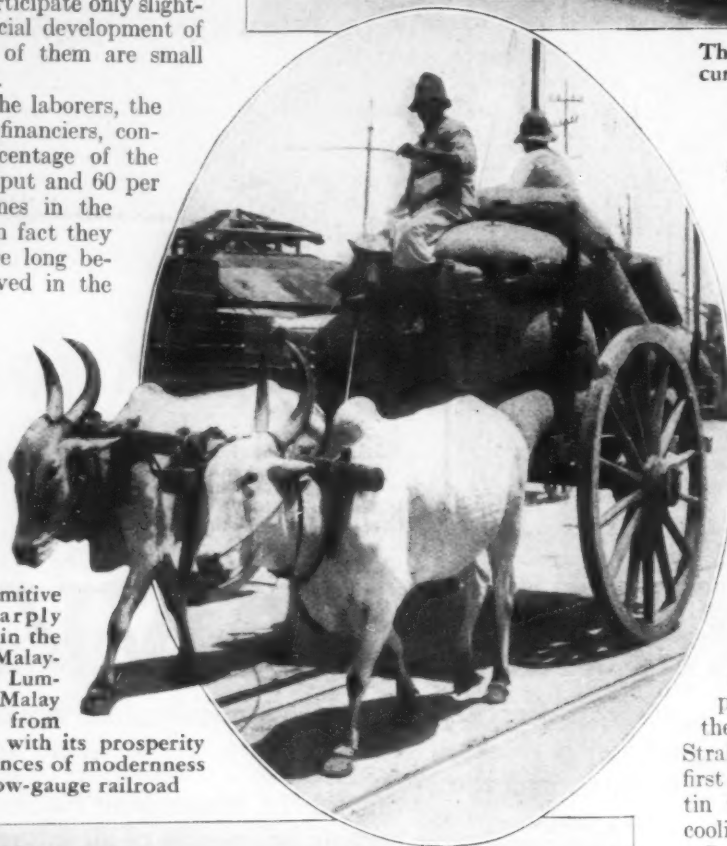
THE MALAYS participate only slightly in the commercial development of the country. Most of them are small farmers or fishermen.

The Chinese are the laborers, the merchants, and the financiers, controlling a large percentage of the country's rubber output and 60 per cent of the tin mines in the Federated States. In fact they were mining tin here long before Europeans arrived in the peninsula. The Chinese carry on both the retail and wholesale business and control from Singapore the marketing of many of the products of the Dutch Indies

Zebus pulling a primitive rice cart contrast sharply with the car tracks in the Straits Settlements, Malaysia. (Below) Kuala Lumpur, the capital of the Malay States, is prosperous from the rubber trade and with its prosperity has come many evidences of modernness including the narrow-gauge railroad



These native huts near Singapore look curiously out of place beside a modern road but the climate is warm



as well as the outlying British possessions by means of far-flung agencies and close-knit trade organizations.

For more than a quarter of a century the tin mines of British Malaya have been producing from a half to a third of the world's tin—40,000 to 45,000 tons a year, holding first place in output, with Bolivia second and Banka and Billiton (off Sumatra) third, at 32,000 to 30,000 tons each. Half of the Malay output comes from Perak.

Tin ore appears in two forms—as veins in rock, called mine-tin, or in alluvial deposits, called stream-tin. Stream-tin is naturally the easiest to obtain when present in any quantity; and it is the abundance of such deposits in the Straits Settlements that gives this region first place among tin producers. This tin is mined in open pits by Chinese coolies.

In 1912 the bucket dredger was introduced here, and by 1925 it accounted for 15 per cent of the tin mined. Dredgers are now reworking abandoned mines at substantial profits. From 1913 to 1920 the output of Malayan tin fell off 15,000 tons because of the exhaustion of the higher grade deposits. However, the dredger and other mine improvements have brought the output back to its old level.

Incidentally, in 1925 the United States consumed more than two-thirds of the world's tin production. Let the unconvinced take but one look at the dump heaps of American cities and be convinced.

Within the last ten years rubber has displaced tin as the chief Malayan export. In 1925 it constituted 45 per cent of the export values of the country



Fleet Owners in Search of True Economy are Turning to *the Pontiac Six*

"We are pleased to report that the very satisfactory experience we have had with the first Pontiac car purchased February, 1927, has been borne out on all others purchased to date. We have tried almost every make of automobile on the market for sales work but have never yet found a car which operates on the low cost per mile shown by the Pontiac."—The Standard Electric Time Company, Springfield, Mass.

Thus one owner of a large automobile fleet used in business expresses his reasons for turning to the Pontiac Six. In cost per mile—the only true basis for judging the economy of an automobile—the Pontiac Six holds a tremendous advantage. Its very design has been directed toward the goal of unrivaled low costs of operation and maintenance and long life. And in addition to its resultant economy, the New Series Pontiac Six offers the prestige-building appearance and the superior six-cylinder performance so much desired in salesmen's cars today.

If you are responsible for the purchase of automobiles for your company, ask us for the particulars of those principles of design which have made the Pontiac Six famous for true economy. Then you will see for yourself why so many fleet owners are turning to this General Motors car.

OAKLAND MOTOR CAR CO., PONTIAC, MICH.

From some of the largest corporations in the world and from many smaller firms, letters have come in by the hundreds, asking for copies of the book, "Experiences of Various Companies in Handling Automobiles with Salesmen".... The book includes three general sections: "Who Buys the Car—the Company or the Salesman?"; "How are Operating Expenses Handled?"; and "Developing a plan of Operation".... If you are interested in this book or in Oakland's plan for cooperating with fleet users to reduce sales costs, send in the coupon below.



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against 14 per cent for tin. Likewise it is in point of value now the leading import of the United States. In 1914 it stood fifth in value, following hides and skins, coffee, sugar, and raw silk. In 1925 it easily ranked first, with an import value of \$429,000,000, against \$96,000,000 for hides and skins, \$286,000,000 for coffee, \$246,000,000 for sugar, and \$396,000,000 for raw silk. In 1926 its lead was even more marked with \$505,000,000, against a raw silk total of \$392,000,000 as second.

The United States now consumes more than 70 per cent of the world's raw rubber output.

The process of vulcanizing was discovered in 1842, but as late as 1905 the world's rubber crop totalled only 65,000 tons, against some 500,000 tons at present. In 1905 half of the rubber output came from wild forest trees. Today 94

per cent of the product comes from plantations, 75 per cent of which are in British colonies, and 5 per cent more is controlled by British capital.

Ideal for Rubber-Growing

RUBBER requires a moist, warm climate, deep soil of good texture, an equal distribution of ample rainfall throughout the year, the absence of high winds damaging to the brittle trees, and dependable cheap labor. These requirements are all met on the west side of the Malay peninsula. British capital and enterprise and the American automobile market have done the rest.

Our finely integrated modern industrial prosperity has seen fit to smile broadly on British Malaya—for a highly resilient consideration. Her foreign trade for the last quarter of a century shows a fine growth. From 1900 to 1925 that of the Straits Settlements,

indicative of and including the bulk of British Malayan foreign trade, rose from a total value of £67,000,000 to £3,000,000,000, a growth of 448 per cent while the world price level for the period rose but 98 per cent. At the same time the tonnage of shipping cleared in the Straits rose from 7,000,000 to 17,000,000 tons.

In 1925, 44 per cent of her export trade and 3 per cent of her import trade was with the United States. From 1913 to 1925 Straits Settlements exports to the United States grew from \$35,000,000 to \$325,000,000 a year, and imports from the United States grew from \$3,000,000 to \$11,000,000 a year. Good business that, remembering what the business misanthrope always forgets—that what the Straits do not buy from us they buy from the rest of the world which does buy from us.

Young Farmers Trained as Financiers

By JAMES TRUE

IF THE solution of the country's agricultural problems depends on scientific financing, as economists believe, just wait until the farm boys and girls grow up! Since 1915, when the 4-H (Health, Head, Heart and Hands) Clubs were organized by the Department of Agriculture, with the state colleges and counties cooperating, the young members have borrowed millions of dollars for farming projects, and the great majority of them have made their investments pay.

Last year there were 41,234 organized 4-H clubs, with a total membership of approximately 600,000 farm boys and girls. The major projects undertaken were the raising of dairy and beef cattle, swine, sheep and poultry; and adequate financing was one of the most important phases of the work.

Typical of the financial aid volunteered last year to the clubs was the offer of the Goshen (Indiana) County Bank Association to finance dairy and swine projects to the extent of \$10,000. A county-wide meeting was called early in the year. Eight boys and five girls enrolled in the dairy club, and twenty-three boys and seven girls in the swine club.

The association loaned the money to club members, taking their notes due in three years on swine and five years on dairy cattle, with interest at 8 per cent. The notes were endorsed by the fathers or guardians of the borrowers, and in every instance the money was used for the purchase of fine stock approved by the county agricultural agents.

Many bankers have offered to lend money to the boys and girls without interest and endorsement, but offers of

the kind are not generally accepted. The purpose of the club work is to encourage the youthful farmers to shoulder responsibility and to conform to the principles of good business.

One little fellow who wanted to finance the raising of a blooded pig, borrowed the money from a small-town banker. But the pig soon died because of over-feeding. The boy was waiting at the bank when the lender arrived next morning. He said he wanted to be the first to report the loss, and assured the banker that he would pay the note.

The banker advised the boy to accept another loan for a similar purpose, in the expectation that the second investment would pay the loss of the first and a profit besides. This proposition the boy accepted, signing a note for both loans. The second pig promises to fulfill all expectations; but meantime the boy has put in sufficient work on a neighbor's farm to pay off the total obligation.

Boys Loyal to Their Group

AMONG MANY similar experiences that of an older boy, Garvey Haydon, is typical of more conspicuous successes. In 1926 this boy took for his project the raising of three Shorthorn calves, one of which developed into a fine steer, which won \$385 in premiums at four fairs. And last year, at the Louisville State Fair, an exhibitor offered Garvey \$450 for this calf. Although the offer was about \$300 more than the market value, Garvey refused to sell because the boys in his county were depending on his calf to make their carload win in the State Baby Beef Show, and he would not jeopardize their chances of winning.

At the State Baby Beef Show the boy was rewarded for his loyalty. His calf was declared grand champion of the show. It was finally sold for \$1.20 a pound, and weighed 1,060 pounds. With the premiums won by the calf, the total receipts from the boy's investment were nearly \$2,000, and this year, with more than \$1,800 profit at his command, Garvey is planning to enter the State Agricultural College.

The financial and other experience gained in the club work enabled Roy Brunson to own a herd of 15 purebred Jersey cows.

Last year, a herd of 30 purebred Chester White swine returned a labor income of \$1,100 to Ivan Hutchinson, a club boy of Kittitas County, Washington. Another Washington club boy, Milton Walsburn, won sweepstakes in the Portland Union Stockyards Special Show on a pen of four Chester Whites, in competition with some of the best hog breeders in the northwest.

The North Carolina champion Guernsey in her class, with a record of 4,831 pounds of milk and 268 pounds of butterfat in 305 days, was the club project of Sam Rich, of Davie County.

These young people are numbered among the 369,000 club boys and girls who accepted projects last year and satisfactorily completed their work. About 50,000 of them during 1927, according to a recent estimate, borrowed approximately \$1,000,000 to finance their projects for the year. These figures are probably a fair average for the last four or five years. The records disclose that not a dollar loaned to a 4-H club boy or girl has been lost.

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Your Health and Your Business

By H. S. CUMMING

Surgeon General of the United States Bureau of Public Health

NATION'S BUSINESS asked me to tell the business man something about how to take care of himself, and by himself I assume that his physical self is meant. But there is more in health than just body, and for this article I venture to define "health" as "that condition of body, mind and morals which makes for the greatest enjoyment of life by the individual combined with the maximum contribution to life."

Right here it may be well to insert some illustrations of our meaning.

Case 1. Bill Hammond is a good and an able man, but he has a kidney stone. He never goes a day without some pain and at irregular intervals he has terrible attacks which lay him up for several days and almost make him wish for death. It would be good sense for Bill to be operated on and get rid of this handicap, but he never seems to find the time and inclination for it simultaneously. He is very industrious when he is able to work, and since he is strictly "square" and considerate of other people, he is both useful and well liked. Of course, Bill is not healthy. His physical disability keeps him from getting much fun out of life and prevents him from being of as much service to humanity as he otherwise could be.

All There But His Mind

CASE 2. Oscar Willet has the body of an ox, and the mind of a child. He is happy all day long and can eat as much as two ordinary men without discomfort and can lift the front end of an automobile off the ground. But mentally Oscar can do nothing that society is willing to pay him for. He is not healthy because, although he has a good time in life, he contributes almost nothing to it, by reason of his mental deficiency.

Case 3. Skag Bilger spends a large portion of his time in the penitentiary, quite involuntarily, distastefully and impenitently. He has been examined by competent physicians many times and they never could find anything wrong with his heart, liver and other bodily organs. Psychologists have repeatedly examined him and been surprised at the breadth and acuteness of his intellect. But Skag has one little peculiarity, he

wants what he wants when he wants it, and pays no attention to the rights of other persons when he goes after it. He is a confirmed thief and swindler. Skag is a very sick man since he gets very little enjoyment out of life and contributes nothing useful to it. We could go further and show that Skag's illness is very similar in its ultimate cause to the sickness of the other two cases, but that would be getting away from our subject.

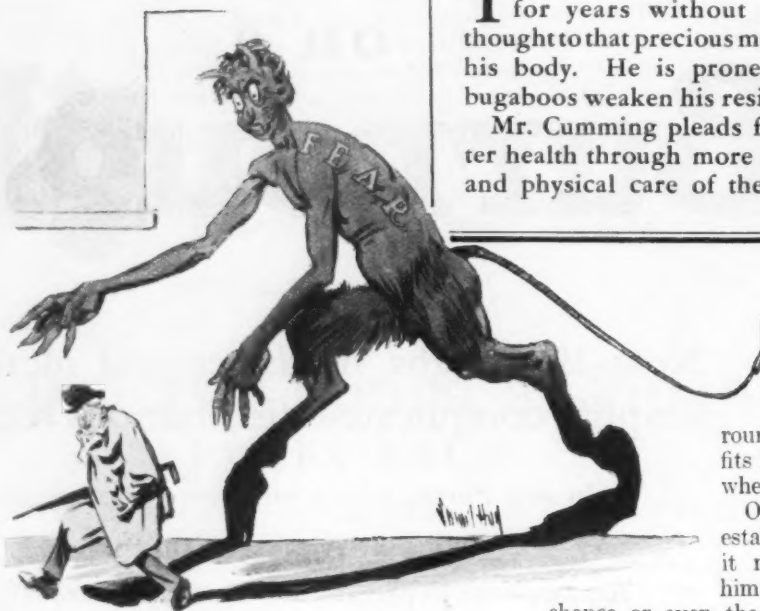
Now it happens that none of these "cases" is a business man, so that no distressing implications are intended, but they do illustrate certain categories of ill health into which all human beings are in some danger of falling.

We shall in part confine our discussion of ill health to these three categories, and shall consider that if a business man keeps himself out of them he has "taken care of himself."

How to go about it? The advice to select a good line of ancestry is excellent, but has a tinge of the theoretical to it which would hardly commend it to business men. Most of us have to get along the best we can with what ancestry we have, but there is a lot to this getting along the "best" we can with it. It means finding out just what sort of equipment we were born with, and trying to put that equipment where it will do the most good. Far too little attention has been paid to this obvious precaution. The lack of it is responsible for many of those square pegs occupying

THE business man may go for years without giving thought to that precious machine, his body. He is prone to let bugaboos weaken his resistance.

Mr. Cumming pleads for better health through more mental and physical care of the body.



round holes, those misfits in business and elsewhere.

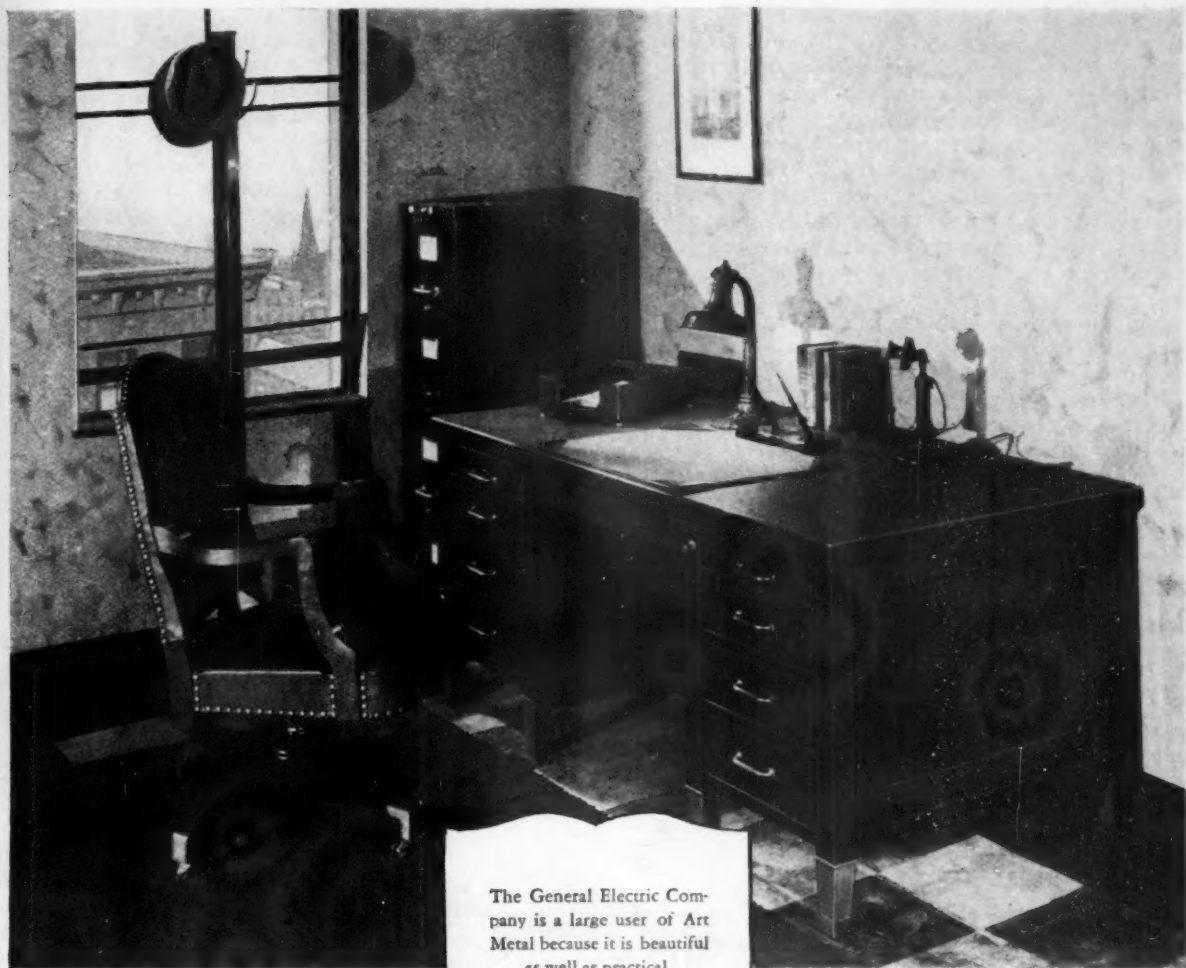
Of course, if a man is established in business it may mean ruin for him to change on the chance or even the probability of getting into an activity where his peculiar talents will bring him more happiness, and the business and the public, more profit; but certainly a young man should try to make sure that the line he goes in for is one which his bodily, mental and moral equipment will fit.

How shall one be guided in this difficult matter? A man's own estimate of himself is a very poor guide, and his inclinations form a not very much better one. The best way is to ask somebody else, but not just anybody else. The consultant should be an expert, and he may have become an expert in one of several ways. He may be an old experienced business man who has spent a lifetime sizing up men and their qualifications, or he may be a competent psychologist who has studied what can be known about the human mind and has made a specialty of fitting jobs to men.

We Can't Rebuild a Man

IT IS put this way because making men over to fit certain jobs is not a very successful undertaking. Of course, given the necessary fundamental qualifications a man can be educated up to a job, and in this sense fitted to it, but it is a waste of time to try to rebuild a man from the ground up.

Of these two types of advisers it is difficult to tell which will get the best results. Both make mistakes at times, but supposing both to be competent it is probable that their advice would be supplementary, so that by going to both



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a pretty clear idea of one's qualifications could be secured.

Then there is the medical adviser. It is not every physique which will stand the exactions of certain kinds of business careers. Countless disasters have occurred because a man who required active exercise had gone into a business which confined him to a desk, and on the other hand, where a man of delicate physique had chosen a business calling for much physical strain.

Here again the man himself is not a good judge. He needs a physical examination by a competent physician. How shall he select a competent physician? Not necessarily on the basis of the doctor's reputation for a large and lucrative practice. The local health officer can usually supply a list of competent doctors to choose from, and the large hospitals usually have competent men on their staffs.

There is one infallible way of telling that a doctor is not competent to make a physical examination. If he does not make you take your clothes off he cannot make a competent examination.

We have devoted this much space to the consideration of the fitness of men for jobs, because this is a fundamental consideration in the question of how a business man should take care of himself. If he is fitted to his job, one great difficulty in the way of keeping healthy has been avoided. If he is not fitted, but must stay in his job, adjustments and compensations in favor of health must be made, or ill health must follow. Some illustrations may be given to show what we are talking about.

More Exercise

IT IS plain enough that the muscular man tied to a desk must devote a good portion of his spare time to physical exercise. This may come in any one of a number of forms. The daily dozen for those with the moral courage, the brisk walk in the morning or before going to bed, the business man's gym class, the little garden at the suburban home—all appeal differently to different temperaments.

The most economical exercise, as regards time, is perhaps swimming, and it is also one of the best forms. Dancing has much to recommend it. Certainly for men of this bodily make-up, outdoor exercise is best, and holidays should

be devoted to several hours of it in some appropriate form, such as horseback riding, golf, tennis, hiking, rowing, skating, etc. To neglect exercise means for this type of person not only bodily, but mental and moral deterioration.

There are persons of different build and habit who are strangely tough in their resistance to confining occupations, but soon tire of prolonged bodily activity. What they need when they go home after a day of running about town is rest, and yet they are often to be found engaging in still more activity.

Take Care of Mind, Too

IF EVEN these rather crude adjustments should be made on expert advice following thorough examination, what shall be said of those finer adjustments which are essential to the preservation and improvement of mental health?

A business which can be conducted without imposing a good deal of mental strain on the conductor is not much of a business, and my remarks are therefore directed to men in business who do encounter considerable mental strain. In order to endure such strain continuously without breakdown certain rules of mental hygiene must be observed even by the most robust. Hardly a man who

The best rule is "think straight." Catch the problem by the head and follow it straight through to the tail without being diverted and confused by all the wriggling arms and legs which are attached to it. Many people and probably some of them are business men, catch hold of a problem in the middle or anywhere they can, and wrestle with it for a long time before they find out where its backbone is. By that time they are so worn out that they have little strength left with which to deal with the central axis of the problem, and as likely as not there comes another problem sprawling at them sideways and they catch hold of that by the middle and repeat the process.

This is far worse than a waste of time. It is dissipation of nervous energy, and very bad business besides. It is far better to spend the necessary time at the beginning to get the problem straightened out and head on.

Guard Fancy and Bugaboos

A SECOND rule of mental hygiene is not to mistake wishes for facts. Our insane asylums are full of people who made that little mistake. It was Julius Caesar, a good business man, who said "That which men desire, they most readily believe." One should analyze his own attitude toward problems, and make sure that he is not being led astray by something which he wishes were so, rather than guided by something which he knows to be true.

Another rule is not to create any bugaboos. The damage is usually done by coupling up an imaginary scarecrow with something real. I might give a general example to illustrate what we are talking about. At the moment when a man is signing some papers in connection with an important business deal,

a telegram is brought him telling of the death of a beloved friend. He gets to brooding over this calamity and is more or less depressed for some time. This is bad enough in itself, not being the wholesome and courageous method of facing misfortune. But it becomes worse if the man thereafter associates this business deal with the calamity. It is entirely illogical to do so, and may result in the failure of the deal, merely because of the mental attitude which supervenes every time this particular business is referred



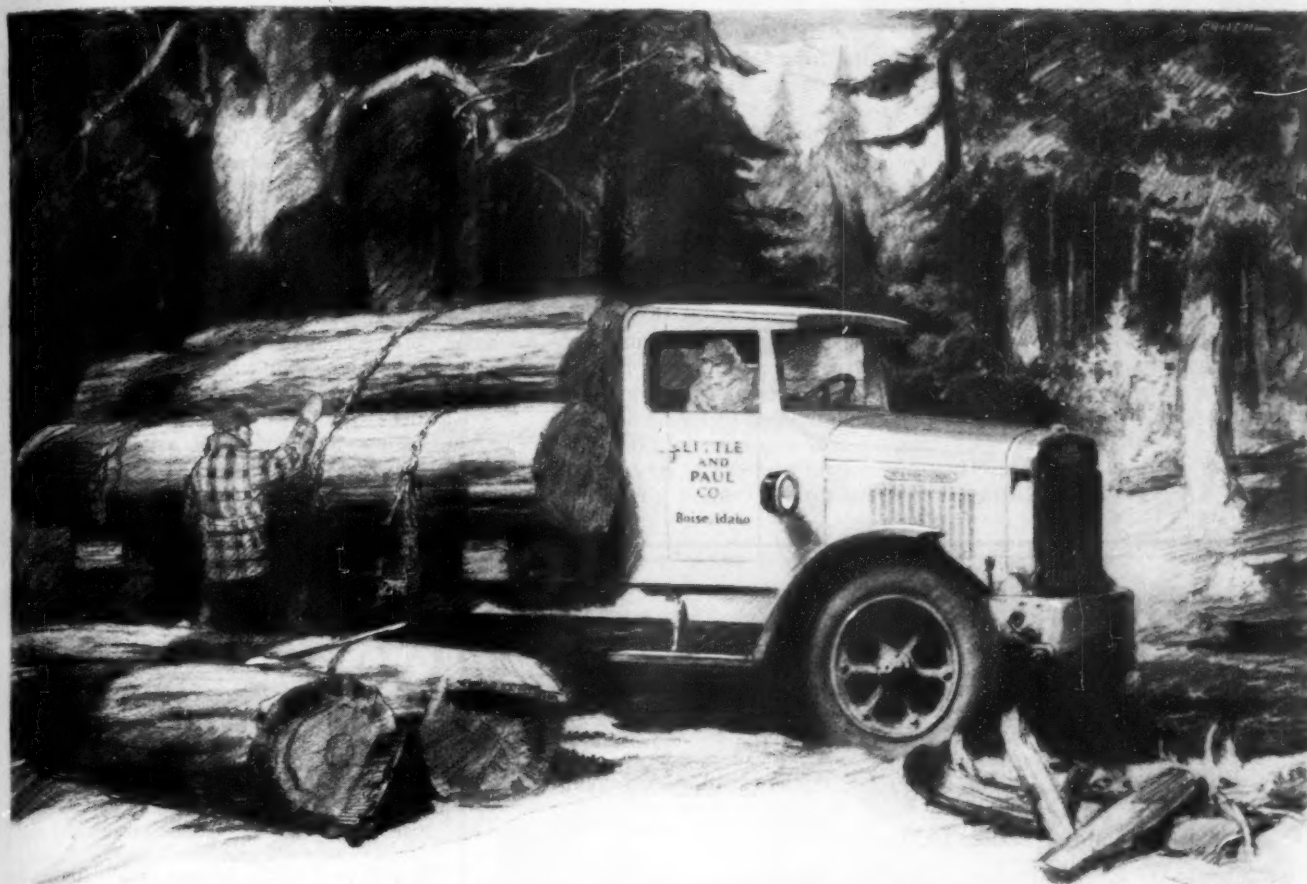
"If a man has but one hobby, it is likely to ride him. If he has a stable full, he may ride when he pleases without fear of being monopolized"

reads this but can remember business acquaintances who thought that they were tough enough to stand anything. "Bring on your work," they shouted, "and watch me turn it out." And yet did not a fair proportion of them collapse prematurely or make some fatal slip due to overwork which shortened both their business and their earthly careers?

There are some rules of mental hygiene which are plain enough to be understood by anybody who has brains enough to engage in business.

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Since writing this letter they have added six more 5-ton Internationals.

The Little and Paul letter is typical of many that come to us, written in the plain language of men who work and live with International Trucks. It is much easier not to write, but somehow, thousands of men are prompted to tell us how good the trucks are. Such opinion may well guide your investment in International Trucks.

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Bismarck, N. D.	Dallas, Texas	Fort Worth, Texas	Lexington, Ky.	New Haven, Conn.	Richmond, Ind.	Sioux City, Iowa	Wichita, Kan.
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to. Possibly no one will admit that he himself could be guilty of such irrational mental processes, but they are as a matter of fact extremely common, and do a great deal of harm.

Another rule of mental hygiene is not to put all of one's intellectual eggs into one basket. The advice to have a hobby is familiar. I shall go further and advise at least two hobbies. If a man has but one hobby, it is likely to ride him. If he has a stable full, he may ride when he pleases without being monopolized.

Far too many people, and business men are no exception, resort to stimulating or sedative drugs or beverages in order to "calm their nerves" or "take their minds off their worries." They do not appear to realize that this corre-

sponds to a business policy of borrowing from the future with no security.

I do not in the least intend to preach against the moderate use of the milder stimulants or sedatives such as most people in our present day civilization are accustomed to, but when a man finds it impossible to face his day's work until he has had a cup or two of strong coffee or similar beverage, which he reaches for with eager, almost trembling, hand, it is a sure signal that he is in need of something besides stimulants or sedatives. It means that he needs some of the wholesome and constructive recreation advised in this article.

Still worse is the plight of the unfortunate who has to rely upon habit-forming drugs to enable him to meet his daily

problems. The course is inevitably from bad to worse, and there is no human contingency sufficiently serious to justify a man in taking the first dose of such drugs, with the possible exception of incurable diseases with pain not otherwise to be controlled.

A man in good bodily and mental health is well fortified against the ordinary bacilli of moral deterioration, and has only to be informed concerning the danger and on the lookout for sources of infection to avoid them with success.

A sound mind in a sound body is the best business asset a man can have. It does not insure business success, of course, but without it a permanent and satisfactory success in the best and fullest sense of the word.

"These Bankers"—A Review

NOT everyone can be a banker, but now everyone can afford to know them through the engaging introductions made by Dan Knowlton and Arthur De Bebian in "These Bankers" (Bankers Publishing Company, New York, 1927). What manner of men manage our banks is told in verse and prose by Mr. Knowlton. That a banker's life is not all clink of coin and clatter of adding machines is directly suggested in the sprightly sketches of Mr. De Bebian.

On their authority, the hard-faced banker with a high hat and a heart as soft as the front axle of a 5-ton truck is only a venerable myth, the makeshift creation of conscienceless movie directors and unregenerate playwrights, for

Of all the bankers I have met,
I never saw a banker yet
(And don't believe one can be found)
Who dressed or spoke or froze or frowned

Or acted or behaved, in fact,
The way he was supposed to act.

Were the authors desirous of establishing the kinship of their subjects with the whole business community, nothing could be more acceptable than this honest confession:

I'm tired of going to luncheon
At clubs where a speaker orates,
And waiters are eagerly snooping
To snatch away half-finished plates.

These spell-binding prophets of business

Make me ill at ease and distraught;
If it isn't a "man with a message,"
It's someone who'll "leave us a thought."



Glad to Consult

When all the best authorities agree that the prodigal son should return home with enough money to lift the mortgage and to keep the sheriff's men from his mother's door, it is not for Mr. Knowlton to change the plot. It is his distinction to have the prodigal explain the source of his wealth. One paragraph tells the tale:

"It was easy," he replied modestly. "I got it by saving bit by bit at the Average Bank, corner of Main and High, every banking convenience and open Saturday afternoons. It's surprising how weekly savings mount up, and they pay 4 per cent. Safety and service is their motto, and they are always glad to have you consult with their officers, at your convenience, and without obligation."

Women's departments seem to constitute a kind of promissory note in modern banking, a kind of pledge to give free family advice, as well as fiscal counsel, for Mr. Knowlton asks:

Oh, lady, oh, lady, do
you want to know
How to can your tomatoes, or shorten
your dough?



These Spell-binding Prophets

What bug-killer's best, how to polish off rust?

Just ask for advice of the Average Trust.

Does your kid have bad tonsils? "Who wrote Lorna Doone?"

Do you feed sickly kittens by bottle or spoon?

Is it better, with children, to argue or spank?

An answer is waiting—just ask at the bank!

Impressive in prospect, if not always directly applicable, is his suggestion for winning more women depositors. Here is the *ne plus ultra* for capturing new savings accounts:

Give one of these knee-dimplers to every woman in town—presto! They roll their stockings. And when they roll their stockings, I ask you, what becomes of their money? Where can they carry it? What can they do with it? Nothing, my dear man, except to put it in the bank! It is inevitable!

There is something mildly defiant in dedicating the book "to the memory of the unknown humorist who invented the wheeze about the banker and the glass eye." Perhaps the keynote of the book is in the footnote to that epitaph: "The statements contained in his epitaph, while not guaranteed to be true, are based upon information which we believe to be reliable." Even so, delightful acceptance of "These Bankers" is not endangered by the prosaic warning of a disclaimer clause.

—R. C. W.

A Congress of Good Cooks

IT IS commonly observed that kitchens have shrunk in size and dwindled in number since the older generation practiced the culinary fine arts. A good many meanings can be read into that state of our domestic affairs, but the paradoxical certainty is that a modern cook book can be as portly and promising as in the days when books on cookery included recipes for making perfumes, freckle removers, and beer and wines.

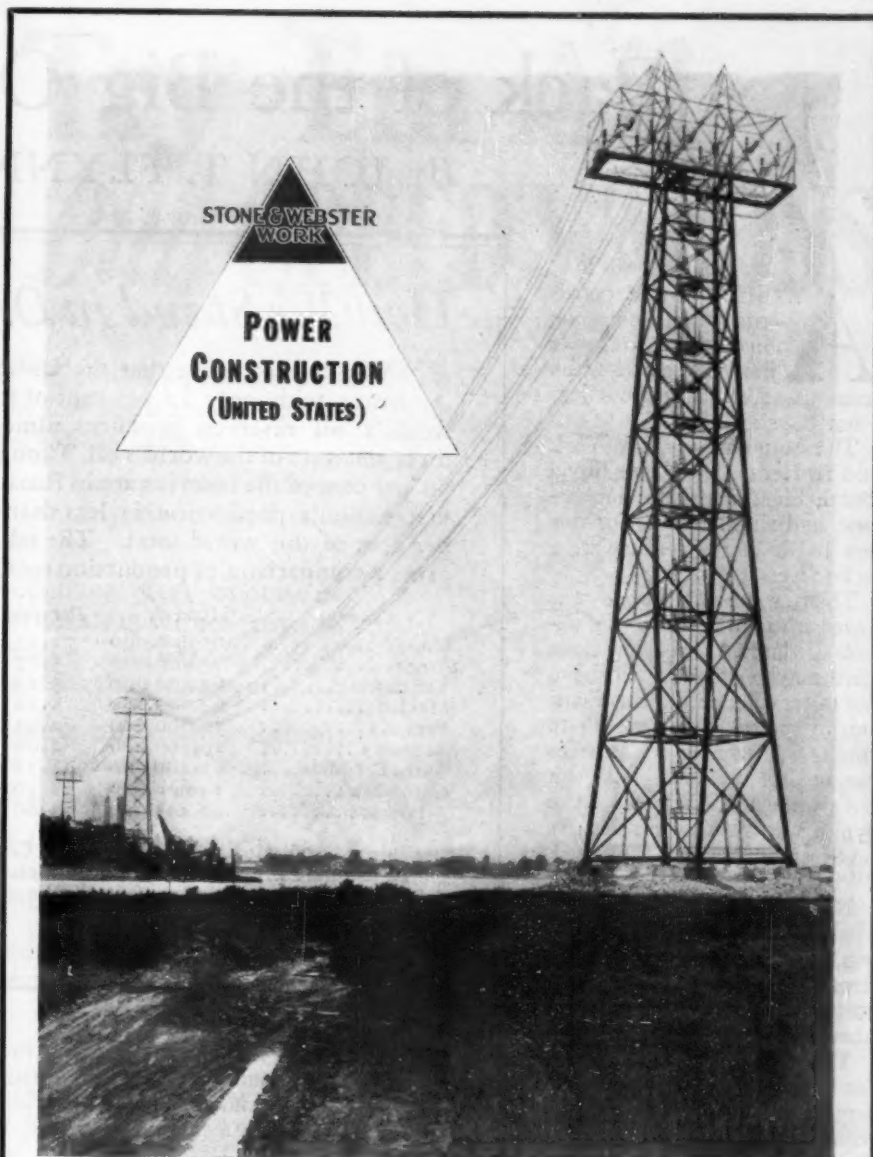
For evidence is the 710-page Congressional Cook Book published and offered for sale by the women of the Congressional Club in Washington. The women of this club are the wives and daughters of the members of the Senate and the House of Representatives, the Cabinet and the Supreme Court. They constitute "the other half of our great governing body," writes Mrs. Herbert Hoover. By their works it is not hard to believe them much the better half.

Dependable inside information on the meat and other things upon which our Caesars feed is now made available in the portions usefully prescribed by Mrs. Coolidge, by Mrs. Taft, by Mrs. Dawes, by Mrs. Longworth—and by all the other expert cooks who here invite the proof that they know their ingredients. Whether the reader's interest in their recipes be active or academic, it is readily apparent that the contributors have substantially enriched our kitchen literature. Not only the United States is represented, but forty other lands allure the traveler on this cook's tour of the world with national dishes fit for kings and all other lovers of good living.

In the American section the reader is likely to feel more at home. The corn meal muffins and custard pie sponsored by Mrs. Coolidge need no introduction. Here is all the familiar food of youth and maturity—respected names to garnish the memory of many meals, old friends who want no official recognition to give them fame.

But when Pickwick sauce hails from Illinois and potatoes O'Brien are accredited to Ohio, the fact argues that a good cook makes nothing of scrambling geography in behalf of appetite.

The women who planned and produced this cook book give reason to revise the proverbial consequences of many cooks. Their explicit directions are intelligently calculated to save the broth and to spice family life with a welcome variety of meat and drink. In serving their purpose to expand the sources of our culinary lore and to raise money for enlarging their club house they have adjourned politics—not a word is said about barbecuing a beef, and who can make political capital of the itemized regard for barbecued pig? For even there, the pork barrel is honored in the breach, rather than in the observance.—R. C. W.



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The illustration shows the Fore River crossing of main 110,000 volt transmission lines designed and built by Stone & Webster, Inc., under supervision of I. E. Moulthrop, Chief Engineer, The Edison Electric Illuminating Company of Boston.

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Back of the Big Oil War

By JOHN T. FLYNN

A WORLD war of petroleum with India the battleground was flashed across the front pages of the papers just a few days ago.

The Standard of New York and Sir Henri Deterding's Royal Dutch Shell were the combatants, and ringside seats for this new battle of the century were to be free.

Then, when everyone was keyed up for the harrowing details of the fray, came the news that maybe there won't be a war after all, because Sir Henri stormy petrel of petrol, so to speak, was coming to America cooing like a dove, with an olive branch in his beak. Some cynics who recalled Sir Henri's love feasts of the past remarked, "What, again?"

Now the one-time Dutch Shell trader is not to appear in person, but representatives of his firm will carry on negotiations just as if he were present, it is announced as this is written.

The chosen battleground is significant, for India is nearly, if not quite, the largest consumer of kerosene. The American company proposed to fight with Russian oil. That aroused Sir Henri, who had tried to get control of the oil himself. After the grand muddle of the Arcos incident, the Royal Dutch emerged minus the ability to get Russian oil.

Certainly, it is no price war between two small-town merchants; it is, in fact, a great international battle for oil—a battle precipitated largely by the determination of Great Britain to absorb, if possible, the lion's share of the undeveloped petroleum resources of the world.

It should be kept in mind as the keynote of England's policy, that she made up her mind that the war would yield her at least one thing, and that was an adequate supply of oil. Why she should have cast her eye upon Baku is not difficult to understand. In Russia, according to the latest estimates of the Soviet engineers, are stored more than 30 per cent of the oil reserves of the earth. How great this is may be guessed from the fact that in the United States, which now produces 70 per cent of the world's output, there remains but 12 per cent of the world's reserve supply. England has not been able to possess herself of Baku yet, but she has done pretty well.

"When the war came," said E. G. Pretymann, a leading British oil authority, "the British empire with its vast

How We Stand in Oil

FEW people realize that the United States, with only 12 per cent of the world's oil reserves, produces almost three-quarters of the world's oil. Though 30 per cent of the reserves are in Russia, that nation's production is less than 6 per cent of the world total. The table gives a comparison of production totals.

Country	Barrels	Per cent
United States	905,800,000	72.23
Russia	72,400,000	5.77
Venezuela	64,400,000	5.14
Mexico	64,200,000	5.12
Persia	36,800,000	2.93
Rumania	26,100,000	2.08
Neth. E. Indies....	21,400,000	1.71
Colombia	14,600,000	1.16
All others	48,445,000	3.86

(From a preliminary Department of Commerce estimate prepared by John H. Nelson, Bureau of Foreign and Domestic Commerce, and E. B. Swanson, Bureau of Mines.)

interests had but 2 per cent of the world's petroleum supplies. Now with the seeds sown and the processes in use . . . when adjustments are complete, I think the British empire would not be far from controlling one-half of the available supplies of petroleum in the world." That was in 1919.

An Empire Fights for Oil

NO ONE can blame this widely scattered empire for wishing to have more oil. But it is important that the American business man should know how she purposes to get it. The chief agents in her drive for every available oil field are the Royal Dutch Shell and the Anglo-Persian Oil Company, of which the British government has the control.

The corner-stone of her policy seems to be to keep the American oil prospector out. Thus we can see in this latest outcropping a war, not between oil traders, but between an American oil company on one side and a powerful British oil company on the other side operating as the agent of and backed by the British government.

There is nothing singular about this. It is a condition which is becoming characteristic of the great world market in which the American business man must operate. Not only the oil industry but most of the other great industries find themselves confronted with foreign rivals who are either powerful government-sup-

ported groups or government-nourished monopolies, while at home the American contender is compelled to proceed as a unit with the hand of every other American competitor raised against him. This is at least the theory which the government seeks to enforce and with so much success that in this very instance even so coherent a thing as the Standard Oil finds itself with a divided house, the Standard of New York and the Vacuum Oil Company pitted in a measure against the Standard of New Jersey.

There is something in this situation which will astonish the American reader when he sees it in all its strange lights. Deterding is in reality the direct beneficiary of our anti-trust laws. When the old Standard Oil Company was dismembered by a Supreme Court decree, its power as a factor in the world market was seriously crippled. One Standard Oil Company was

a producing company, another was a refining company, another a distributing company in the United States. Still another carried on its operations in Turkey and India, another in Egypt, another in England and France, another in China. When they were under a unified management their activities were coordinated so that they were able to present a united front in any sector of the world. It would take a vast amount of argument to convince most people that the Standard Oil Company is not as completely unified today as it was before the court decision dividing it.

Not only is management separate but there is frequent friction almost as keen as between utter strangers. But while the great American oil interest is thus not only dismembered but actually forbidden to practice any form of coalition, Sir Henri Deterding's Royal Dutch Shell proceeds not only in America, unaffected by any such decree, but in any part of the world, under the direction of a single mind. Sir Henri Deterding is practically the only great oil figure who is permitted to operate in any part of the world.

His first effort to capture the Russian fields was made soon after the war ended. That effort met with disastrous failure. He began by sending a trusted agent into Russia to negotiate with the Bolsheviks. Now it must be remembered that the Russians are half European and half Oriental. They can be

They Try 'Em All~ Then They Buy SPEED WAGONS

We asked thousands of Speed Wagon users in every vocation what Speed Wagon means today. And we found out some astonishing things.

We found that once a man buys a Speed Wagon it's almost impossible for anyone to sell him any other make.

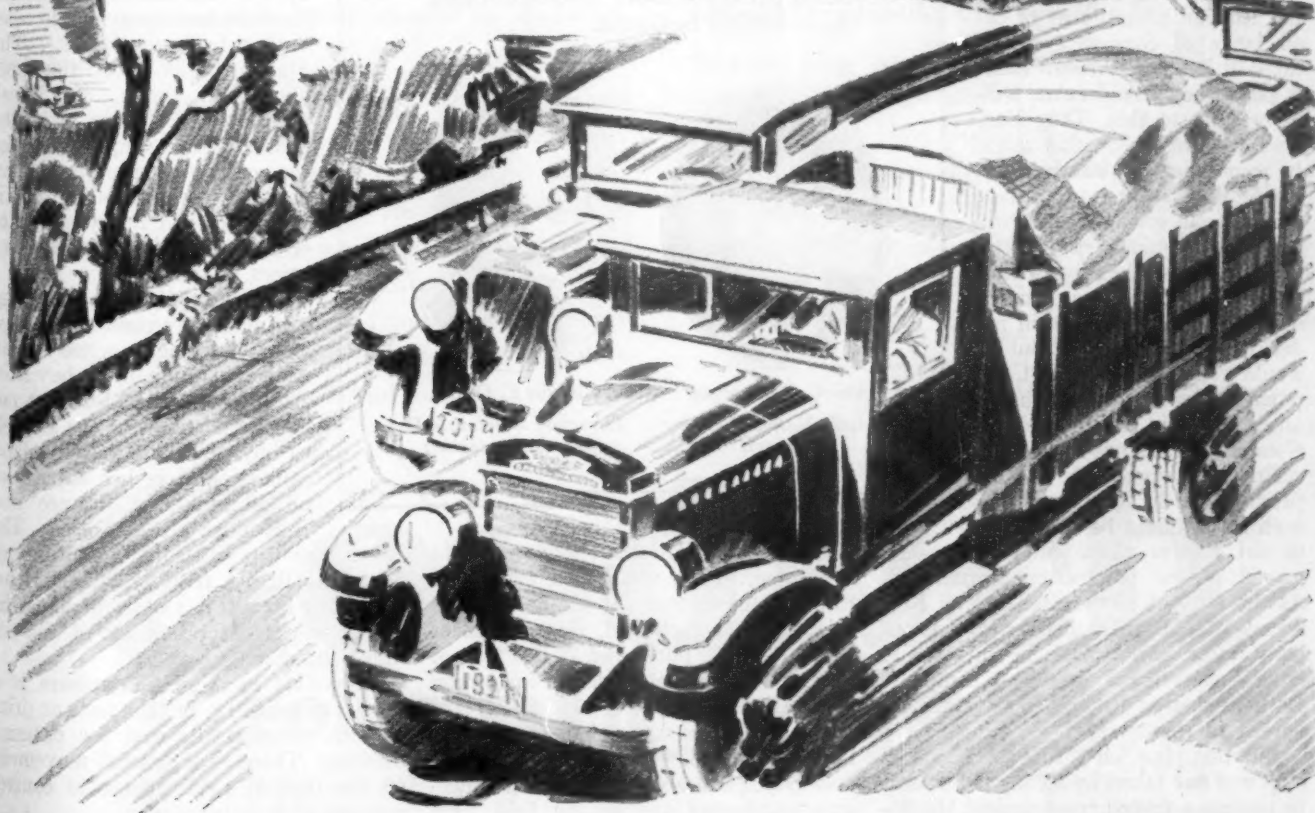
We found business executives, fleet operators, retail merchants and wholesalers with figures to prove that Speed Wagons cost less to operate and maintain than any other trucks they have ever used.

We found men everywhere discarding lighter, flimsier trucks for the greater economy and trafficability of Speed Wagons.

From the four corners of the country came photographs of Speed Wagons still in service after hundreds of thousands of miles of heaviest hauling.

Men who have tried 'em all know that Speed Wagons are the faster, surer, easier, cheaper way of hauling. There's a Speed Wagon waiting for you. Try it out.

REO MOTOR CAR COMPANY, Lansing, Mich.



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most engagingly and disarmingly European and, when some other mood claims them, quite as completely and bafflingly Oriental. And one dealing with them is very sadly handicapped by not knowing when they are in their European and when in their Oriental character. This was the plight of Deterding's agent. The Bolshevik bargainers apparently fooled him to the top of his bent.

He had proposed that the great English-Dutch oil magnate, Sir Henri, would take over the management of their properties, develop them and market their oil and allow them a handsome profit. He was, if reports are to be credited, actually proposing a partnership. And he went back to Sir Henri with the rosiest assurances that everything was practically arranged. So satisfying were these assurances that the Royal Dutch Shell chieftain is said to have gone into the stock market in London and bought \$100,000,000 of the shares of the old owners of the confiscated Russian oil properties in order to make this position more solid with his new Russian buddies. But when the moment arrived for action the Russians calmly informed him that they intended to develop the oil wells themselves.

There Deterding, almost alone among the oil men, was for doing business with the Soviet chiefs. Most of the oil interests and national representatives demanded restitution by the Russian government of the oil lands of foreigners confiscated by it. The Russians made it plain they would never willingly agree to this. Then England proposed that this might be accomplished in another way. There was nothing to prevent Russia from giving the old owners a ninety-nine-year lease of these oil lands. The Royal Dutch Shell, having been a pre-war owner, could have come in under this arrangement. But so would the Standard Oil Company of New Jersey, which had an interest in the Nobel Oil Company, also a pre-war owner.

England suggested another proviso which stipulated that such leases might be made only to old owners whose interest was acquired before the nationalization act. As the interest of the Standard of New Jersey was acquired in the Nobel Company after nationalization, this would have excluded the American company. Both English and Soviet representatives agreed to this.

But this plan fell through. The next step was one taken by all the old owners to present a united front against the So-

viet government. They formed in Paris a group of which Sir Henri was made the chairman. A solemn compact was made, and all of the members of the group pledged themselves severally not to deal individually with the Soviet government to purchase or accept a concession without the consent of all the

wanted to control the Baku fields and in this he was supported by the settled policy of British diplomacy. In 1926 he decided upon a new course. He would bottle up the Russians. He believed he could drive all the important oil companies into an agreement not to buy any oil whatever from the Russians. Such a proceeding, he believed, would bring them to their knees. They had no means of developing their rich oil resources. They had no organization to market it even if they could develop the producing machine. They had no money and were desperately in need of funds.

Their oil fields offered them a ready means of getting cash, and if he could effectively blockade and boycott them the Soviet would very soon see the folly of resisting his demands. They would be ready to grant him what he required—the absolute control of Baku. With this end in view he called on all the oil companies of the world to boycott the Russians. Such an agreement seems feasible because the President of the Standard Oil Company of New Jersey appeared to be sympathetic.

Initiates Price War

THE Standard of New York, the Vacuum, and other American companies, as well as many foreign distributors, went in and made arrangements to buy oil from the Soviet fields. Deterding decided, therefore, upon a bold measure to compel the Standard companies to cease buying from the Soviets. The Standard sells the oil thus purchased in India. Sir Henri, therefore, decided to make the Indian market unprofitable for the great American firm. Accordingly he notified it that if it did not end its purchases of oil from Russia he would cut prices in India.

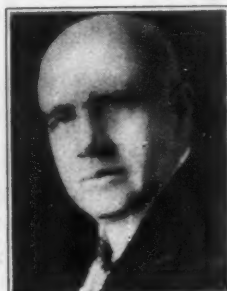
For the purposes of the English magnate's present strategy, it has become a crime for an American company to buy Russia's "stolen oil." But is it not equally a crime for the English to buy it? Last year England ranked third in her imports of oil from Russia, France and Italy alone outranking her. The

Soviet has supplied large quantities of oil to the British navy. And Sir Henri Deterding himself has been, perhaps, the largest individual purchaser of the so-called Russian oil.

Keep this in mind. Petroleum is a unique commodity, in that nations prize it both commercially and for national defense. There is a general movement on the part of governments to control supplies of it in some way.



George A. Zabriskie
Leads Board of Sugar Institute



Cornelius F. Kelley
Executive Chairman, Copper Institute

FOUR trade associations, seeking men who could lead them into more prosperous ways, have recently chosen new leaders. Mr. Zabriskie was a sugar broker and private financier; Mr. Kelley was a copper producer; Mr. Dodd a department manager of the National Chamber; and Dr. Larson a division chief in the Department of Agriculture.

Trade associations in general are looking for more capable leaders and are expanding their activities. This trend presages more intelligent and more ethical business.



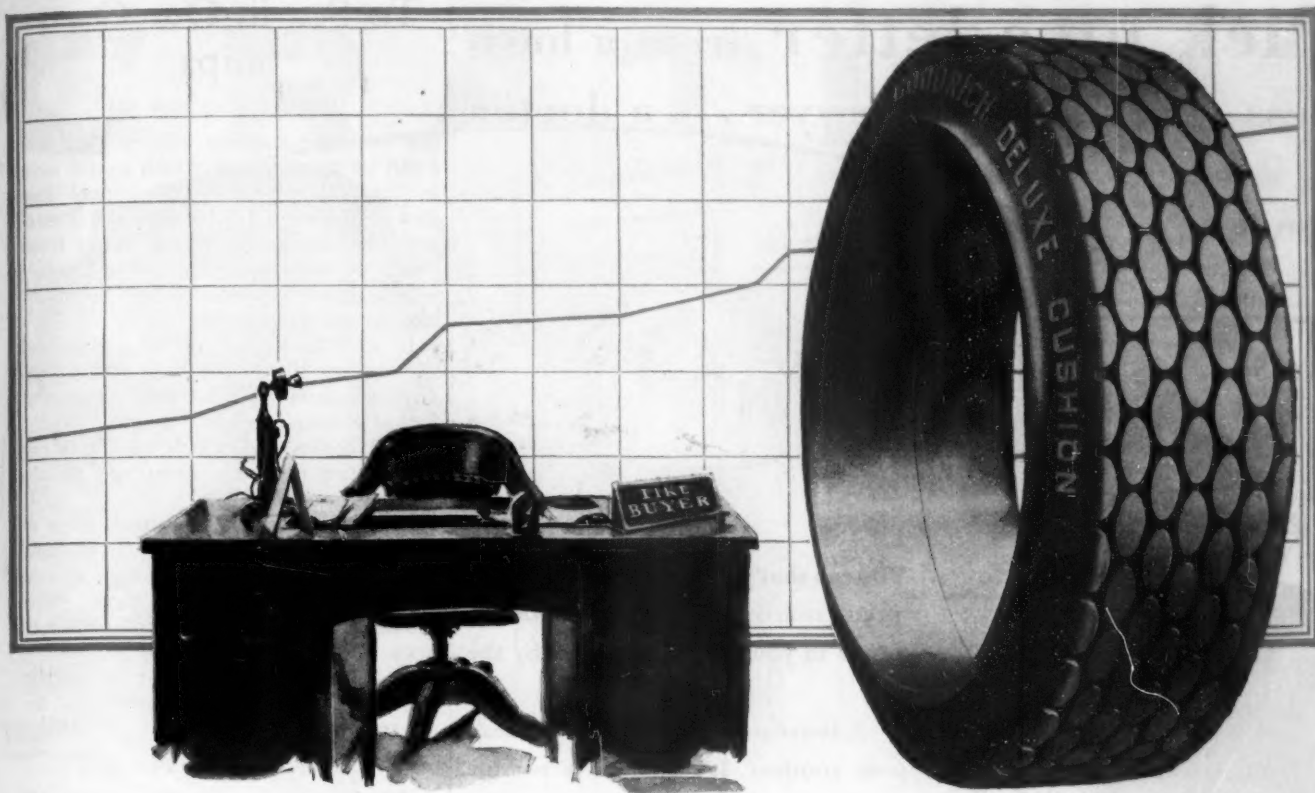
Dr. C. W. Larson
Heads National Dairy Council



Alvin E. Dodd
Director, Wholesale Dry Goods Association

others. This agreement was made in September. Yet within six months it came to the ears of the group that the Royal Dutch Shell had, in violation of the agreement, purchased 70,000 tons of oil from the Soviet and had an option on 100,000 more.

But Sir Henri was not out merely to buy Russian oil. He wanted to be the only buyer and above all to keep American purchasers out of the field. He



Over this Desk *profits may rise or fall*

It is at least worth asking, whether your tire equipment does all it should to speed up profits.

Is the right tire on every job? If you want speed, are your tires compounded to prevent delays due to roadside tire failures? If you want traction—are the treads on your tires able to grip their way out of slick places? Do you want the absolute freedom from trouble which comes from solid rubber—joined with cushioning almost as complete as pneumatics give? And last and most im-

portant of all—are your tires giving the mileage they should, in proportion to price?

In every city there are dealers who can tell you how Goodrich builds a tire for every trucking job—how Goodrich Tires are performing for others—how special design, special compounding, skillful construction are adding extra miles to the service of all the tires Goodrich builds.

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FOR TRUCK TIRES

Solids and Heavy Duty Silvertowns, High Pressure or Balloon

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Pick up a letter from a business executive . . . a lawyer . . . a doctor



You can shut your eyes, these days, and pretty nearly pick out the important letters in your morning's mail, by the feel.

A letter on an ordinary letterhead looks routine. It's read as a routine letter.

In recent years business men have been taking more and more care to distinguish any letter that goes out from their office from the run of ordinary correspondence.

A distinctive letterhead carries inevitably a sense of the importance of the letter—and the firm that writes it . . . Crane's Bond, for instance: a 100% new white rag paper; sturdy, crisp, tough, with a quality look and feel.

Specify the "best" to your printer or engraver and he'll nod his head and say "Crane's Bond"—and yet on {say} 5000 letter-heads Crane's will seldom cost over ten or fifteen dollars more than medium grades . . .

Why not specify—the best? . . . and of course Crane's envelopes to match.

Crane's Bond

CRANE & CO., INC. • DALTON, MASSACHUSETTS

When writing to CRANE & Co., Inc., please mention Nation's Business

To Sea in Our Own Ships

(Continued on page 19)

that an advantageous sale of this line could be made, a sale which would save to the United States the annual loss now sustained and bring into the Treasury the sale price of the ships from which no one, under the present policy of governmental operation, can hopefully look to realize anything?

It is difficult for me to understand why anyone should object to such a proposal which involves basically a payment for a definite service rendered to the United States and which has in it the possibilities of great advantage to the country in other ways.

For the carriage of our mail, ships of the highest speeds should be utilized. Our mail trains are run at high speeds, for which the Government pays. Why should not the same principle guide us upon the seas? The ships proper for such a mail service should be readily convertible into vessels available for military and naval purposes.

Naval Auxiliary Needed

I WOULD advocate that every ship utilized in one of these services should be approved by the Secretary of the Navy as suitable for conversion to naval purposes, in order that we may have in our Merchant Marine a suitable auxiliary or reserve to our navy. The importance of this cannot be overstressed from the standpoint of national defense. Cruisers, transports, and scout ships are as essential a part of a fleet as battle-ships themselves, and we should have vessels capable of conversion into such ships.

The cargo ship generally is not adapted for speedy mail transmission but it is an essential part of a merchant fleet. No reason appears why the same principle of contract payment for services rendered may not be applied here as in the case of the mail ship.

Why may not the Shipping Board determine the trade routes it deems essential for the movement of the products of American industry and agriculture, the cargo space required on these designated services, the type, tonnage and speed of the ships necessary to move the cargo, the regularity and frequency of their sailings, and the other requirements of the service, and then call for bids for the performance of these services and enter into contracts with citizens of the United States to maintain and operate the routes in accordance with the specifications of the Board, specifications which among other things might properly include provision for a replacement fund? It does not seem possible that if a citizen furnishes the ships and meets all the service demands of the Government, there could be doubt as to the propriety and obligation of payment.

The Shipping Board, in the Government's behalf, is now hiring someone to

CRATING



Your Packing Room—step out there and ask yourself these questions

That Crate? Is it strong—is every piece of lumber in it suitable for the purpose? Does it contain the least lumber consistent with good design and safe delivery of its contents? Is it made of light weight lumber—or is the lumber excessively heavy, involving excessive freight charges on out-going shipments? Is the labor cost of assembly as low as it ought to be?

That saw table? Do you know what is the actual waste in cutting up your own lumber for crates?

That shipment going out? Does it arrive attractive, ship-shape, in good condition at the other end? Is it as much of a sales argument as it ought to be?

This packing room? Can't some of it be used for production and profit?

Our freight bills? Can't we cut them down through

the use of less lumber of lighter weight? Can we reach out into wider territory for the same costs and still insure safe delivery of our merchandise?

For every individual business, the Weyerhaeuser man brings the right answer to these several searching questions.

It is the answer of Cut-to-Size Crating Lumber. Standard pieces, cut to build your standard Crates, out of a choice of eight ideal crating woods—strong, and light in weight.

Weyerhaeuser Crating Lumber and Crating Methods are bringing new economies, new profits, wider sales opportunities to hundreds of businesses.

Your business is no exception.

Call for the Weyerhaeuser man. Make him tell you the whole story of Weyerhaeuser Cut-to-Size Crating, Box Shooks and Crating Lumber.

WEYERHAEUSER CRATING LUMBER STANDARD LENGTHS FOR CUT TO SIZE

WEYERHAEUSER FOREST PRODUCTS

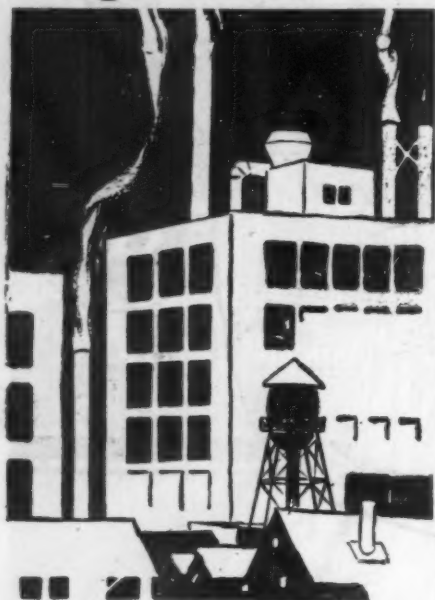
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Producers for industry of pattern and flask lumber, factory grades for remanufacturing, lumber for boxing and crating, structural timbers for industrial building. And each of these items in the species and type of wood best suited for the purpose. Also producers of Idaho Red Cedar poles for telephone and electric transmission lines.

Weyerhaeuser Forest Products are distributed through the established trade channels by the Weyerhaeuser Sales Company, Spokane, Washington, with branch offices at 806 Plymouth Bldg., Minneapolis; 208 So. La Salle St., Chicago; 2563 Franklin Ave., St. Paul; 1600 Arch St., Philadelphia; 285 Madison Ave., New York; P. O. Drawer 629, Port Newark, N. J.; 2401 First National Bank Bldg., Pittsburgh; 1313 Second National Bank Bldg., Toledo; 1418 R. A. Long Bldg., Kansas City.

When writing WEYERHAEUSER SALES COMPANY please mention Nation's Business

**your buildings
represent money
... protect them**



Every good business man knows that paint is not an expense but an investment. A factory or plant, which is not protected with good paint, depreciates. Depreciation is loss.

Good paint—Lucas Industrial Building Paint—on your factory buildings will protect you against this loss. You insure against fire loss and consider the money well spent. It is. Why not protect those buildings against depreciation with an equally good investment—Lucas Industrial Building Paint

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Wood and Brick Buildings—
Lucas Industrial Building Paint
Concrete Buildings—

Lucas Concrete Finish
Factory Interiors—
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John Lucas & Co., Inc.
Paint and Varnish Makers Since 1849
New York Philadelphia Chicago
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paints
for maintenance of
industrial buildings



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undertake this work, but upon a contract in which the Government assumes all risk, under which there is no provision for replacement, under which there is no real incentive to efficient operation, and under which the operator gets his commission without regard to the losses sustained by the Government from the operations of the services.

A problem under such an arrangement as I now suggest is a proper limitation on the amount of payment for the services. There are, however, criteria for this. The Board itself has been operating cargo ships on many routes which it deems vital to be maintained in the interests of our commerce. It knows the operating losses it has sustained. It might be that the annual average of the losses sustained by the Board for a period of three years would be a fair maximum limit on the sums to be paid under a contract for the operation of ships on a route.

As an alternative suggestion, the Board might be authorized to take as the limit of compensation a rate per hundred gross tons per mile traveled in a year, which would overcome the differentials against our ships on the route when compared with foreign ships on the same or like routes. This basis is susceptible of computation.

Under either of these methods the cash outlay of the Government would be no more than its present operating losses. The major difference from the present arrangement is that in one case the Government would have the purchase price of the ships it now operates instead of the ships; it would have an undertaking of the private citizen to meet replacements and additions instead of placing this burden upon the taxpayer.

To Safeguard Public Interest

UNDER either the system of contracts for mail carriage or of contracts for the maintenance of cargo routes, provisions could be made assuring ownership and operation by American citizens; the presence upon the ships of American boys and their instruction in the art and duty of seamanship; unequivocal provisions for the use of the ships by the Government in times of war or of national emergency; and various other provisions which might be deemed in the public interest.

This form of contract service for cargo ships is not to be associated with the ordinary form of subsidy, because it is lacking in the elements of a subsidy. Congress has determined that certain shipping services should be established and maintained by the Shipping Board at government expense. That being the case, why should not the Board be directed to follow the custom applicable to all circumstances when the Government desires some work to be undertaken or some duty to be performed that

can be better done under contract with private interests and invite bids for the undertaking?

It cannot by any stretch of the imagination be claimed that payment for such service rendered to the Government is, in the first instance, a subsidy for the benefit of ship owners, since it is obviously a payment for an undertaking that has been established by Congress.

One of the handicaps facing the American ship is a higher cost of operation than the foreign ship faces. This is in large measure due to the higher wages and the larger personnel required by law on American ships. Statistics compiled from statements recently made by the Shipping Board show that the monthly cost of wages and subsistence on an oil-burning, 9,000-ton American ship is \$4,041 as compared with \$2,690 on a similar British ship, and with an even greater difference in the case of ships under the Italian, French or Japanese flags.

No one suggests that the American wage scale and the provisions for the comfort of American crews should be lowered or abandoned. It follows, therefore, that some way must be found to overcome this difference in the operating cost if the American ship is to continue in competition with ships of other flags.

One direct, open, and effective way to contribute wholly or in part to this end is by permitting the officers and men of American ships to enroll as a part of the Merchant Marine Naval Reserve, and for a portion of their wages when so enrolled to be assumed and paid by the Navy Department from appropriations made for this specific purpose.

The Navy needs not alone a reserve of ships, but men to man them efficiently. It seems entirely proper if the Merchant Marine is to furnish the men for the Navy's use in time of need, that the Navy should make some contribution to the building up of this reserve man force.

This may be done by providing that, in addition to the pay prescribed by existing law for officers and enlisted men of the Merchant Marine Naval Reserve when not employed on active duty with the regular navy, such officers and men as are employed on vessels of United States registry regularly engaged in transoceanic commerce should be paid by the Navy itself at the rate per annum not exceeding six and one-half months' base pay of their corresponding grades, ranks or ratings in the regular navy, this payment to be considered an integral part of the pay of such personnel.

The advantages to the country in such enrollment are too manifest to require supporting argument.

These suggestions of what might be done to aid a privately owned Merchant Marine are not exclusive of other forms of assistance which can be availed of. They are, however, in my opinion, suffi-



cient if put into effect, to restore our Merchant Marine to the seas.

Any and all of these courses are infinitely to be preferred to the present situation and to permanent governmental operation.

The difficulties are both political and economic. An examination of the affairs of the Shipping Board and of the Fleet Corporation discloses that from the time of its organization to about March, 1924, approximately eight years, there had been on the Board 27 different Commissioners, of which 12 had served less than one year, four had served approximately two years, and only one had served more than five years. In the same period there had been 55 Trustees of the Fleet Corporation.

The changes have gone on since 1924 and they will continue in the future. With such shifting personnel in high executive positions there could not be anything approaching continuity of policy or efficient and effective organization and operation. Political considerations have dictated many of these changes and politics still hamper the organization.

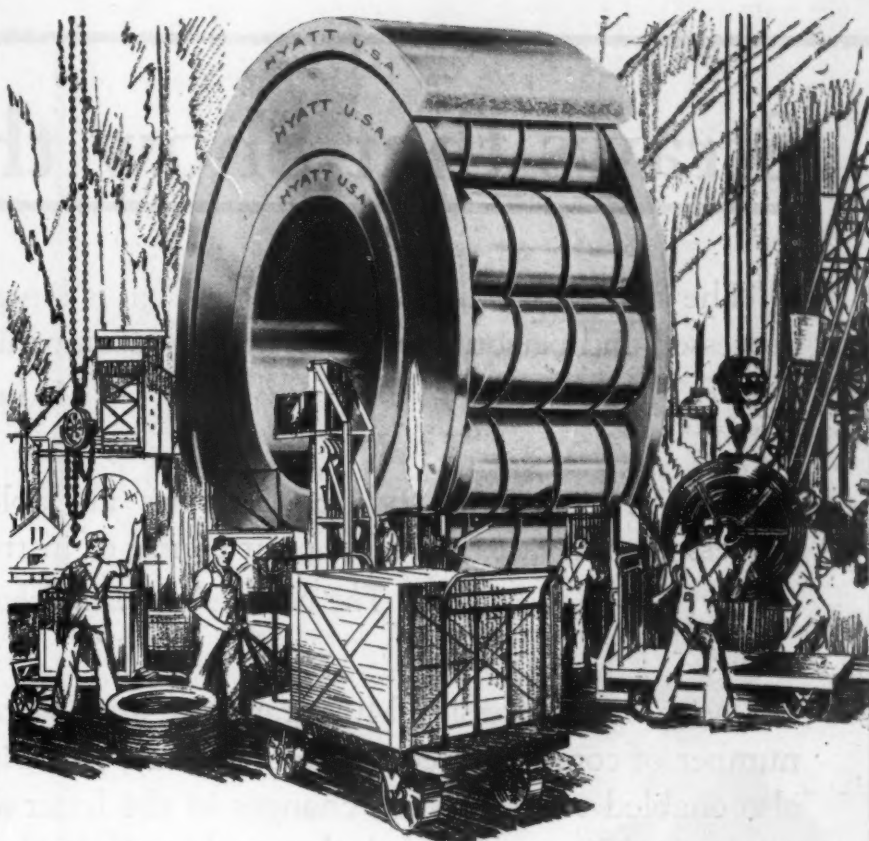
Government Can't Be Businesslike

THE BUSINESS difficulties of governmental operation are apparent and insuperable. The success of a Merchant Marine involves more than the possession of ships. It requires a far-flung organization for the solicitation of traffic; of banking arrangements throughout the world through which funds may be forwarded and remitted, credits exchanged and payments made. It necessitates the ownership of docks, piers, and warehouses, or the acquisition of such facilities through arrangements with other owners. It demands authority in local representatives for prompt and decisive action. Its successful prosecution demands the freedom of individuals from rigid rule and regulation and from those restraints imposed upon all governmental activities and agents.

None of these is possible under a system of governmental ownership and operation. No business conducted in disregard of these essentials can succeed in competition with the world. No effort by any government to operate a Merchant Marine in overseas trade has ever yet succeeded.

If we embark upon it as a permanent policy the first result will be the ruin of those privately owned and operated companies which have hung grimly on through the adverse years, for no business can long survive half governmentally owned and operated and half privately owned and operated.

We should not consider committing ourselves further on this program of governmental operation until we have studied and tried every other method which gives any hope of success. I firmly believe that the utilization of the aids here suggested would restore American ships to the seas, would carry our cargoes under our flag to all the nations and all the peoples of the earth.



All industry moves faster . . . on Hyatts

WHEREVER men are employed for the purpose of handling material and speeding up production, their efficiency is largely dependent on the equipment with which they work.

Hand trucks, lift trucks, trailers, conveyors, hoists, cranes—everything by which materials are lifted and moved from one operation to another—can either retard production or increase its speed. Such equipment must move easily and quickly, with a minimum of man power or motive power, else profits are seriously affected.

The use of Hyatt Roller Bearings greatly reduces friction and allows, permanently, the more economical operation wherever installed. Leading manufacturers of material handling equipment long ago discovered that by standardizing on Hyatts their products would last longer and require less maintenance.

To reduce manufacturing costs as well as to speed up production, factory executives should see to it that their machines and their material handling equipment are free-running on Hyatt Roller Bearings.

HYATT ROLLER BEARING COMPANY
Newark Detroit Chicago Pittsburgh Oakland

HYATT

ROLLER BEARINGS

PRODUCT OF GENERAL MOTORS

When writing to HYATT ROLLER BEARING COMPANY please mention Nation's Business

Straws that Show the Way the

"The success of our direct-mail campaign is largely due to the almost perfect processed and personalized letter which accompanies each printed folder."

Industrial Works, Bay City, Mich.

"The very personal style of letter we are able to produce by this new process is a big factor in selling our course of instructions."

The North American School of Drawing, Buffalo, N. Y.

"With the Addressing Multigraph, we are able to produce, each day, just the number of copies we require for that day, and with the new segment, we are also enabled to make such changes in the letter as are advisable, adding new results as they are obtained, thus making it timely."

Barclay-Hare Sales Company, Pawnee City, Nebraska.

"Our use of the machine has developed to such an extent that we have practically eliminated outside printing, with a considerable saving in expense to ourselves."

Warehouse Securities Corporation, Chicago, Ill.

"Unquestionably the greatest time saver for direct-mail advertising that is on the market today."

U. S. Manufacturing Corporation, Decatur, Ill.

THE AMERICAN MULTIGRAPH SALES COMPANY
1806 East 40th Street, Cleveland, Ohio

—the— addressing

When writing to THE AMERICAN MULTIGRAPH

Wind Blows!

A COMPLETE letter
and a

PERFECT letter

The Addressing Multigraph prints body of letter and fill-in through the same ribbon (fill-in plate carries salutation as well as name and address).

It prints signature direct from cut in writing ink. It also addresses the envelope—and all this at a single revolution of the drum. Result—a perfect letter at minimum cost.

It Also PRINTS

Office and factory forms, cards, tags, bulletins, dodgers, advertising folders, house organs, etc., can be produced on this machine as rapidly and as easily as on any other Multigraph.

So the direct-mail user saves a lot of money and at the same time gets more perfect letters and more timely printing of all sorts, and of very high quality.

**DON'T FAIL
to see it demonstrated**

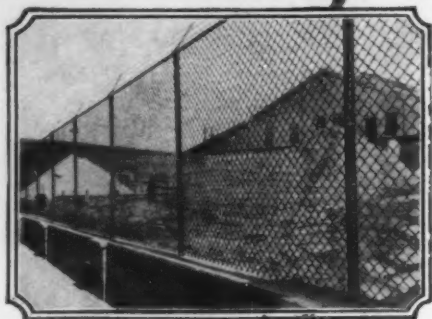
We have offices in 50 principal cities. If you live in or near one of these, let us make an appointment for demonstration. After you see the high quality and low cost of work done by this machine, you will feel well repaid.

Address our Cleveland office if you don't find American Multigraph Sales Company in your telephone book.



MULTIGRAPH

Use the floor space



in YOUR yard

You can release valuable floor space for production purposes by using your yard for material storage or heavy operations. Page "walls of steel" give the same security as your buildings.

National Service

There is a distributor near you who will gladly tell you about rugged Page Chain Link Fence made of copper-bearing steel, heavily galvanized after weaving—all fittings galvanized too. Promotes order, reduces fire hazard, stops pilfering. Write us today.

PAGE FENCE ASSOCIATION
215 N. Michigan Avenue, Dept. 3-F
Chicago, Illinois

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CHAIN LINK

and

ORNAMENTAL WROUGHT IRON FENCE



When writing please mention Nation's Business

The Flight From City Ownership

(Continued from page 17)

junking their plants, turning over to the private companies their distribution systems—and paying the private companies bonuses to take over the job of furnishing light and power.

Defenders of the theory of municipal ownership offer the excuse that the city officials, already burdened with other duties, are anxious to relieve themselves of the responsibility of operating the plants; and that the promoters and salesmen of the companies use "high pressure" tactics with them. But Kansas voters, even the least alert, would not accept such a weak excuse. If there were not other evident reasons, they would lose little time in relieving such officials of all their responsibilities.

Not a Proper Municipal Function

THE REAL reason is that even in Kansas, with conditions extremely favorable, it is impossible to put into government business operations as much efficiency as is put into private enterprises by men who are free to take the hazards necessary to bring success, and who know they must depend for their rewards upon their own efficiency, not upon the whims of emotionally directed voters.

It is easy to see why there has been no popular uprisings against the city officials in towns such as Howard, where they junked their plant, gave away a franchise with their distributing system and threw in \$10,000 to make the bargain. The mayor of Howard stated frankly that the plant in this town was abandoned because of the high cost of operation. The records show that under municipal ownership the top rate was twenty cents a kilowatt hour, and that under the private service it has been reduced to 7.69 cents. Consumers rarely kick at a reduction of two-thirds of their bills.

There have been few municipal light and power plants in Kansas that have ever made money—actually made money enough from their operating incomes to pay all costs and take care of replacements and depreciations.

Government Bookkeeping

KANSAS CITY, Kansas, the largest city in the state, has one of the largest municipal water and light plants in the country, and its officials have claimed for years that it has been conducted by the city on a profitable basis; but when a survey was made of it by experts from the University of Kansas more than a year ago, it was shown that if proper charges had been made for depreciation and other items, the plant actually would have been operated at a loss.

Friends and foes of municipal ownership admit that the most successfully operated plant in the state is at Ottawa. But officials of the privately owned com-

panies declare this plant has been exceptionally fortunate in getting a manager who is capable—and keeping him; also, the records show that this plant, in addition to serving the city of Ottawa, sells electricity to another concern which transmits it to several other towns.

One of the reasons why municipally owned light and power plants in Kansas and elsewhere have been unable to continue successfully to compete with privately operated companies has been the remarkable development of more efficient methods of production by the privately owned companies.

It was only a few years ago that the best companies were able to get just one kilowatt hour of electricity from four pounds of coal. Most of the municipally owned plants are able to do little better today.

But in Kansas efficiency has been developed to a point where the best equipped plants use only 1.8 pounds of coal for every kilowatt hour of electricity turned out, and there are privately operated plants in the country which get a kilowatt hour of electricity for every pound of coal they use.

A privately owned company, operating on a big scale, can afford to junk good equipment and replace it with more modern equipment when municipally owned plants could not do so without resorting to new bond issues, going through a lot of red tape, and convincing the community served that such "extravagance" would be economy in the long run.

Electricity in Quantity

THROUGH "mass" production, chain transmission and connecting distribution—and concentrated buying power—the big privately owned companies are enabled to do just what the five-and-ten-cent stores and the chain grocery stores do—reduce prices to increase volume. This is being done not only in the cities and towns in Kansas, but in the rural districts, where most of the companies have established light and power lines and are making their rates so attractive that many farmers are rapidly applying electricity to a large number of its 227 farm uses.

This development is so rapid that it does not take a prophet to foresee the day when there will be an electric power line running down every road that can boast a rural route and a string of telephone poles.

And this development, which is being pushed by the privately operated companies, probably would not have come for several generations if the electrical field had been turned over to the municipal corporations, or had been monopolized by the Government.

But the chief reason for the decline of the municipal light and power industry in Kansas, and the triumph of the privately owned companies is more satis-

factory service at less cost. Here are a few examples taken at random from the large list of towns where municipal plants have been abandoned in the last few years:

The town of Altoona abandoned its plant and gave a private company a 20-year franchise. The top rate under municipal ownership was 14 cents per kilowatt hour; top rate under private ownership operation 7.69 cents per kilowatt hour.

Belle Plaine abandoned its municipal plant and gave a privately operated company its distribution system and \$5,000 bonus to take it over and make it efficient. The top rate under municipal ownership was 10 cents per kilowatt hour; top rate under private ownership 7.69 cents per kilowatt hour.

Miltonvale had only 16-hour service under municipal plan and has had 24-hour service since going to private ownership. Rates are the same as under the municipal plan.

Seneca, one of the Kansas pioneer towns in municipal ownership, reduced its light and power rates approximately 50 per cent by shutting down its municipal plant and going to private ownership.

Moline abandoned its plant and gave a private company its distribution system, a franchise, and \$1,000 bonus. The top rate under municipal ownership was 15 cents per kilowatt hour; the top rate under private ownership is 7.69 cents per kilowatt hour.

In some respects the cases cited above may be exceptional, but if so they represent only an aggravated form of the malady that is killing off most of the municipally owned plants. Figures obtained from the records of the information bureau of the Kansas public service companies show that the average rates in Kansas for the municipally operated plants are 16 cents per kilowatt hour, while the average rates under private business management are 10 cents per kilowatt hour.

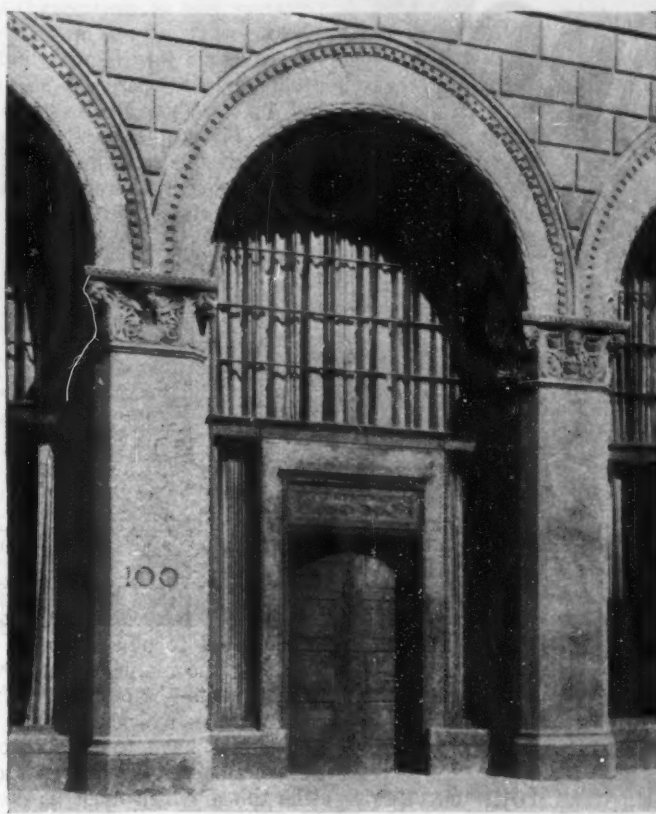
Private Operation Proves Cheaper

OFFICIALS of the Kansas Public Service Commission, the state commission that regulates all public utility transactions, certify that these figures are substantially correct. This means that under private ownership the Kansas consumer, on an average, pays 37½ per cent less for electric current than the consumer who has to buy his electricity from a politically operated plant. Is it any wonder that the records of the state show that eighteen municipal plants have passed out of existence within the last year?

The privately owned companies have not hesitated to spend money to get men of brains and ability, and they have not hesitated to equip their plants with the most modern machinery. They have not been afraid to take the hazardous chances necessary to enlarge their business and build for the future.

As a result of all this, the privately

The NATION'S BUILDING STONE



Entrance, Consolidated Gas Company Building, Boston. Completed in 1927

The Swing to Indiana Limestone in 1927

THE accompanying list gives but a representative selection of the many Indiana Limestone buildings constructed or in process of construction during the year 1927.

Year by year the use of this fine-grained, light-colored natural building stone increases. Structures of beauty and artistic merit attract the best tenants, and are in various other ways distinct business assets. The architect of today, as of years gone by, regards Indiana Limestone as his finest medium of expression.

Most of the Indiana Limestone used in important building work today comes from the quarries of the Indiana Limestone Company. This company is a consolidation of 24 of the largest and oldest properties in the Indiana Limestone district. With assets of over \$46,000,000.00, it has facilities for handling any number of large and small contract operations.

Without obligation we will gladly send you booklet showing modern buildings constructed of Indiana Limestone. Address Box 740, Service Bureau, Indiana Limestone Company, Bedford, Indiana.

A Few Recent

Indiana Limestone Buildings:

New York Life Insurance Co. Building, New York City
Central Savings Bank Building, New York City
Riverside Church, New York City
Church of the Heavenly Rest, New York City
Consolidated Gas Co. Building, Boston
Industrial Trust Co. Building, Providence, R. I.
Fidelity Trust Building, Philadelphia
Provident Life Insurance Co. Building, Philadelphia
Masonic Temple, Scranton, Pa.
Soldiers' and Sailors' Memorial Bridge, Harrisburg, Pa.
Atlantic City Convention Hall, Atlantic City, N. J.
Washington Cathedral, Washington, D. C.
City College, Baltimore
Union Terminal Tower Building, Cleveland
McKinlock Memorial Campus, Northwestern Univ., Chicago
Rockefeller Memorial Chapel, University of Chicago
Cook County Criminal Court house, Chicago
333 N. Michigan Ave. Building, Chicago
Civil Courts Building, St. Louis
Nebraska State Capitol, Lincoln
Convention Hall, San Antonio
Royal York Hotel, Toronto



General Offices: Bedford, Indiana

Executive Offices: Tribune Tower, Chicago

EUROPE and back

in

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Have you tried this business men's quick round trip? It has proved tremendously popular. Over and back, with four days in Paris or London for business or pleasure—and you're away only about two weeks. Leave on a Saturday, return on a Monday.

Busy executives, men who circle the globe on commercial matters, regard our ships as their floating offices. There are public stenographers, quiet rooms for conferences and the ship's radio to keep you in touch with your associates.

Let us tell you about these 17-day round trips on our express liners, *Majestic*, World's largest ship and *Olympic*.



Ask our agents or

WHITE STAR LINE
RED STAR LINE · ATLANTIC TRANSPORT LINE
INTERNATIONAL MERCANTILE MARINE COMPANY

No. 1 Broadway, New York City.
Our own offices elsewhere

When writing please mention Nation's Business

owned electrical companies have been able since 1913 actually to reduce the average cost of electricity 13.1 per cent below what it was on that date while the average for all other industries has increased 65.8 per cent above the costs of 1913. These figures show that even other private business enterprises have not been able to compete with them. Is it any wonder, therefore, that politically operated enterprises have not been able to do so?

It would be more logical to expect a butcher to go into an operating room and perform a successful surgical operation than to expect the average politician to go into offices of a big business concern and operate it successfully and economically. It would be easier for the taxpayers to pick butchers capable of performing delicate operations than to pick popular orators and handshakers who could manage an ice plant or a power house and make it profitable.

Politics Hamper Best Men

EVEN THOUGH a man of ability is elected to office—a man capable of running the municipal properties of his constituents—he cannot feel free to take the chances which managers of private businesses have to take to continue to be successful. He does not dare to do the things which must be done to meet future demands of consumers. To undertake any kind of hazardous development not only would subject him to criticisms, but would be almost certain to mean his retirement to private life before the projects could be completed.

The political office is the last place in all society to expect to find rewards for honesty, industry, efficiency and enterprise. The history of civilization leaves no grounds for doubt—no chance for

disputing that the consciousness and the intelligence and efficiency of the individual are lessened, and the stability of the state weakened, whenever the government is called upon to do more than preserve political liberties.

Wherever the individual has retained the freest play for his talents and abilities, there the greatest progress has been made; and in every country where individuality has been suppressed, and individuals have sought to avoid the horror of their aloneness by establishing a togetherness through governmental direction of all essential activities of life, the results have been stagnation, backwardness, inefficiency, poverty in mental and material life.

Man, according to Doctor Trigant Burrow, author of "The Social Basis of Consciousness," was "created in the image and likeness of God" only when he reached that point in his development where he attained intelligent consciousness; when he realized that he possessed individuality and stood alone—and when he began to have a horror of his aloneness and a longing for the togetherness of his old unconscious state.

If this is true then man most certainly will lose all his "image and likeness to God" whenever he allows his government, or any other outside force, to manufacture his life for him—when ever he permits any outside agency to make, and distribute and dictate the use of the most important functions of life.

And every step that leads in that direction is a fatal step for the social group that takes it, no matter whether the step is one leading to nationalization of transportation, municipal ownership of utilities, or governmental operation of the industry of potato growing.

In the Battle to Chill Our Food

THE GAS refrigerator, though a little slow in starting, promises a strong finish in the race between the ice man, the electric light company, solid carbon dioxide, and the gas man. The result may easily be greater business for all these who offer refrigeration for sale, for it is well known that the electric refrigerator has so served to awaken interest in refrigeration as to increase the ice business.

Solid carbon dioxide promises its most active competition in special fields, and the gas refrigerator claims lower first costs, cheaper upkeep, the advantage of no moving parts, and the possibility of installation in rural districts and elsewhere far removed from electric service and city gas.

Some gas-fired refrigerators operate on acetylene gas, for example. Whereas

the electric refrigerators operate on sulfur dioxide or some other compressible gas, and the ice plants refrigerate with ammonia, another compressible gas, these gas-fired refrigerators generally use ammonia in water, though other easily absorbed gases have been employed.

The gas burner vaporizes the ammonia, which takes up the heat from the food chamber. Ammonia is then cooled with running water, is re-absorbed in a chemical medium, and is ready to make the round again.

Large gas-fired refrigerators have already proved their work in meat markets and other installations of considerable size.

The household gas refrigerator is just being brought more forcefully before us, and there is even talk of adapting it to long-distance transportation.





What is "Metered Mail"?

THIS question is being asked today because millions of letters are going through the mails bearing the oval indicia which has replaced adhesive stamps. It represents the greatest advance in postal methods during the last decade, and is used by thousands of well-known business organizations.

"Metered Mail" is prepaid mail—imprinted by the mailer with a meter authorized by the United States Government.

"Metered Mail" can be handled faster than any other class of mail by the Post Office, because it eliminates facing, cancelling and routine counting.

"Metered Mail" prevents losses and petty thefts in postage. It expedites preparation and despatch.

"Metered Mail" informs the public that you have taken advantage of improved and faster mail handling.

A Consulting Service

Our line of equipment includes combined imprinting and sealing machines for the use of both Metered and Non-Metered Permit Mail; and sealing and stamping machines for the use of adhesive stamps, Government stamped envelopes, and precancelled stamps; also mail tables and sorting equipment. As the largest builders of mailing equipment in the world, we offer you the services of our mailing specialists upon request.

THE POSTAGE METER COMPANY
701 PACIFIC STREET
STAMFORD, CONN., U. S. A.



THE POSTAGE METER COMPANY

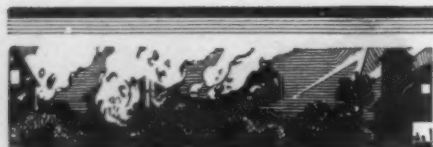
Sole Distributors of Pitney-Bowes Products

701 Pacific Street, Stamford, Conn., U. S. A.

Offices in twenty-one American Cities and Foreign Countries

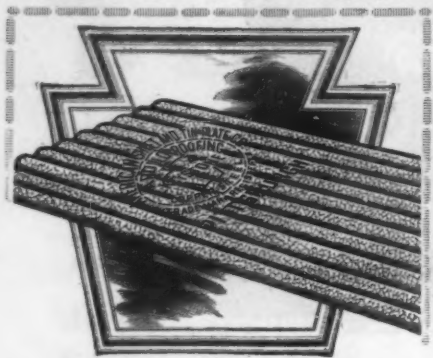
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Galvanized SHEETS

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Fireproof — Lasting — Economical

Also made with KEYSTONE Copper Steel base—the alloy which gives maximum endurance and rust-resistance.

APOLLO-KEYSTONE Galvanized Sheets are the highest quality sheets manufactured for roofing, siding, gutters, spouting, and ventilators. Keystone Copper Steel also excels for tanks, flumes, culverts, and all installations where long service and resistance to rust are important factors. Look for KEYSTONE in the trade mark.

This Company is the oldest and largest manufacturer of a complete line of Black and Galvanized Sheets, Full Finished Sheets, Automobile Sheets, and Special Sheets for all known uses; also Tin and Terne Plates adapted to every requirement. Sold by leading metal merchants. Send for copy of BETTER BUILDINGS booklet—it contains information of particular interest to you.

AMERICAN SHEET AND TIN PLATE COMPANY
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AMERICAN SHEET STEEL

Products of QUALITY and Service!

When writing please mention Nation's Business

Speeding Silk to Market

By A. H. B. PETERSON

SILK, one of the swiftest moving of American imports, is rushed 8,000 miles from Japanese silk farms to New York mills in two weeks.

How the handicaps of this tremendous distance have been overcome by the combined efforts of the transportation companies, the insurance companies, and the American silk industry is not the least adventurous of all the phases through which traffic in silk has passed throughout a long history.

Camel Caravan to Fast Train

TRAFFIC in silk began fifty centuries ago. At first it was between China and other Asiatic countries, and later Europe, with the aid of camel caravan, pack mules and sailing vessels, six months or a year out of China before they reached the end of their journey in India, Persia and southern Europe.

The perils of the passage and the time required for a journey of a few thousand miles made of silk an extravagance, even for royalty. It is told of a Roman emperor that he refused his empress a silk tunic because of the cost.

Today raw silk reaches its farthest western markets within thirteen or fourteen days out of the Oriental port, is manufactured by high-powered machinery, and is sold at prices within the reach of most women.

Across 5,000 miles expanse of water and 3,000 miles of land move yearly 500,000 bales of silk, from the eastern hemisphere to the western hemisphere. The majority of this comes from Japan, the remainder from China.

Development of rapid transportation methods and development of the silk industry went hand in hand. The development of transportation was as important in bringing silk within the reach of the great consuming public as was the development of quantity production and the perfection of machinery.

When the silk industry began in this country, early in the nineteenth century, raw silk came from the Orient in the famous clipper ships of the American merchant marine, which made trips from the far east in ninety to one hundred days, a speed much marvelled at in those days. Imports at that time were, however, negligible. It was not until the end of the century that raw silk was imported in quantities and at values that commanded better transportation service.

By 1900, the American manufacturers had perfected their skill and their machinery to meet the exacting wishes of the consumer and were producing practically all the weaves known to the trade. Imports of raw silk were increasing by more than a million pounds every five

years. In 1900 they amounted to over 9,700,000 pounds, an amount nearly twice that of ten years previous.

Early in the nineteenth century, some of the raw silk came to America around the Cape of Good Hope, South Africa, arriving in Boston. It was not until 1867 that raw silk shipments began to arrive at the port of San Francisco. Following the establishment of the Chinese steamship line, and upon the completion of our railroads to the Pacific coast in 1869, regular monthly shipments were made through this Pacific port. Naturally, the leisurely route from Asia by way of Europe or the Cape was soon abandoned for the more direct passage.

Even with this shortening of mileage in routing silk between China and the United States, the time of passage was still too long, permitting wide fluctuations in prices between shipping time and arrival, in addition to losses en route. A swifter passage over ocean and continent could be obtained only when imports were sufficiently large to make improved service profitable to the transportation agencies.

The first step in advance was improved freight service. The baggage cars in which the silk was loaded were attached to the regular fast passenger trains bound for the east coast. The inevitable result was an improved market and increased silk imports.

In 1914 the railroads first made up special silk trains to run from the west coast to the east, to carry silk alone. For this service, consignees paid a rate higher than that on any other commodity—four cents a pound—silk being the most precious commodity, weight for weight, carried on a large scale.

Faster Than Passenger Trains

WHEN the silk train first began its continental trips, its running time across the states was about six days. Today the silk train comes over in three and a half to four days, or a few hours better than the fastest passenger trains.

Coming from the Orient to New York, raw silk bales have a variety of carriers to expedite their passage. First there are the sampans, or small river boats, carrying the silk from the interior to the seaport. Some silk coming from farthest inland provinces of China has for its unique conveyance the smooth back of the caribou. Coolies and mules are also called into service at non-navigable points. Boats, however, carry the majority of the silk and, as they are well protected, enjoy comparative immunity from attack. Arriving at the port of dispatch, silk is stored in warehouses, called "go-downs." From here it is tak-

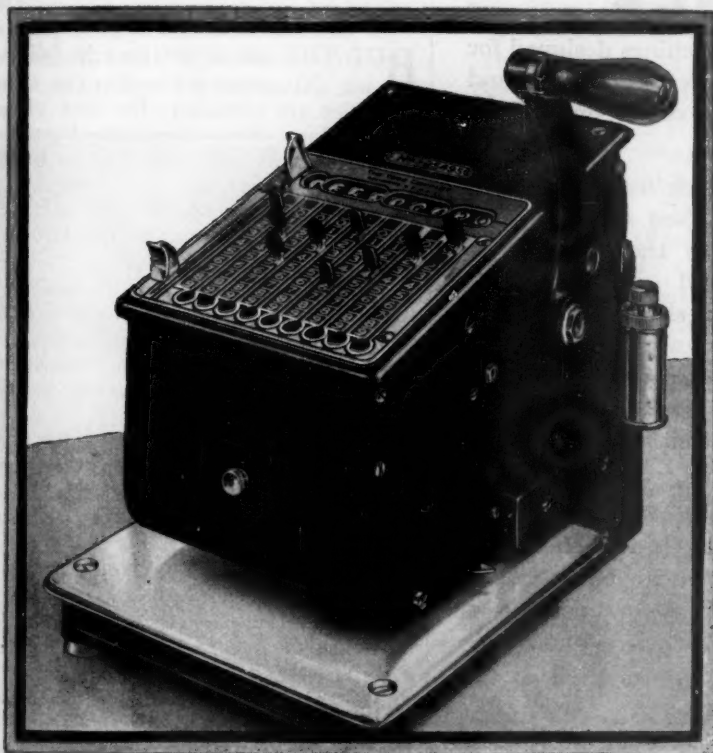


New speed! New ease of operation!
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CENTURY
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Its superlative speed alone will win preference for it in every modern office. But in this new Todd machine there are many more superiorities—a fine balance and convenient, untiring leverage; easy visibility with quickly read indicators and dial; a simple adaptability to a variety of business needs

—and a value that is unprecedented in a moderately priced check writer!

You can best judge this new machine by a demonstration. See for yourself how much faster and easier it operates. How it can be quickly adapted to amount-write practically any document. How much more accurately and perfectly it imprints. What a fine-looking and splendidly made machine it is. The Todd office in your city will send a representative. Or mail us the coupon. The Todd Company, *Protectograph Division*. (Est. 1899.) Rochester, N. Y. *Sole makers of the Protectograph, Super-Safety Checks and Todd Greenbac Checks.*



THE TODD COMPANY 3-28
Protectograph Division
 1130 University Ave., Rochester, N. Y.
 Please send me further information about
 the new Century Protectograph.

Name _____
 Address _____
 Business _____

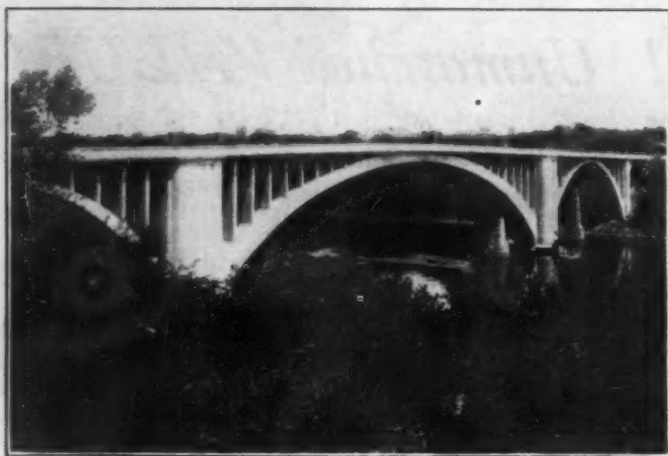
*Features of the new Century
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1. Finely balanced working parts give remarkable speed and ease of operation. Handle can be operated with one finger.
2. Greater visibility—indicators can be set with amazing speed and accuracy.
3. An exceptionally clear, deeply shredded two-color imprint.
4. Prefix character is interchangeable. Can be made to read "Exactly," "Certified," "Paid," or can be replaced by individual name or indemnity number.
5. Easily adapted to take checks of all description—single, voucher, in sheets, small payroll and dividend. Can be used for certifying, receipts, stock certificates, partial payment forms, price tags, refund slips, drafts, all negotiable instruments—practically any business or personal document that must be amount-written.
6. The payee line can be crimped, if desired.
7. Built throughout of special metals, with all working parts hardened and ground. Has superior inking facilities.
8. Unusually attractive in appearance, finished in nickel and two colors of enamel.
9. Three models: Seven bank, eight bank, and nine bank.
10. Embodies all Todd superiorities developed through twenty-nine years of experience, but is surprisingly low-priced.



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 OF CHECK PROTECTION**

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Cappelen Memorial Bridge
Westinghouse Photo

Most of the Material Handling Machinery Used on Large and Small Engineering Projects is Equipped with Twin Disc Clutches.

A Wide Range of Uses

IN most of the modern machines designed for industrial uses, the burden of starting and carrying heavy dead loads comes on a Twin Disc clutch.

The popularity of this clutch for heavy duty service is due to its established reputation for unfailing performance under the most severe conditions. Large frictional surfaces give it ample capacity. It may be slipped when necessary without seizing or burning. It is easily maintained in perfect adjustment. It absorbs all shocks and strains that would otherwise impair the efficiency or shorten the life of the machine.

Built to the highest mechanical standards and operating on a principle that is fundamentally correct, the Twin Disc clutch can be furnished in a wide range of standard sizes and adapted to most of the machines in which a highly dependable clutch is required.

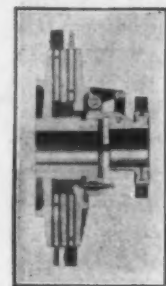
Our experienced engineers can assist you in the solution of clutch problems. Send us your specifications and requirements.

TWIN DISC CLUTCH COMPANY

RACINE

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TWIN DISC
CLUTCHES



A large and highly specialized factory, equipped for volume production, enables us to supply manufacturers with Twin Disc Clutches at a distinct saving.

en on lighters under heavy guard, supervised by the customs, on board an ocean liner.

Of all the cargo which the liner carries, silk is intentionally the last to be loaded into the hold; this in order that it may be the first to be unloaded on reaching port. From this point of embarking, on to the end of the journey, the silk travels at topmost speed.

The value of a silk cargo on one ship has been known to run as high as \$12,000,000, representing an investment on which the interest would mount to thousands of dollars for each day. Liners competing for the silk business know that each day the trip can be lessened means real money saved for the importers; this has been a real impetus to the development of fast ocean passage.

These liners run to the ports of San Francisco, Seattle and Vancouver. A United States mail seaplane meets the northern port liners about 100 miles out at Victoria and takes over the New York mail, including silk documents, ocean bills-of-lading and customs invoices. These are usually eastbound by mail train before the ship docks.

A Race with Time

BUT THE silk is not long in following. No sooner is the ship fast than the bales are unloaded—the first to be off the ship. Stevedores, armed guards and the empty silk train have been awaiting its arrival; and within two hours or so the silk is aboard the train and speeding eastward, on the last lap of its race with time.

The clearance of raw silk through the customs was not always as speedy as this procedure indicates. Formerly, the usual negotiations of customs brokers at ports of entry required from one to five days to effect a clearance.

To effect this quick clearance, the railroad officials file a consumption entry with the U. S. customs officials upon the arrival of the silk. Not having the requisite papers, which have been hurried on to the consignees in New York or Chicago for signature, they must submit a bond as surety for the production of the consular invoice and bill of lading covering each consignment.

The consignees, on their part, after signing the documents, forward them to the west coast officials for liquidation of the entries. The time saved and waste prevented in this way are incalculable.

To follow the route which our cargo is taking—the silk is now safe on the special train which carries silk, and silk only. The only schedule a silk train has is the greatest speed consistent with safety. It stops only to change engines and engineers. As the costliest of all freight, silk has the right of way on the rails. If a limited should lose time and get in the way, it must pull up on a siding, while the silk train thunders by.

Within eighty-five hours, the fastest of these trains is in New York, and the silk has come halfway around the world in thirteen days.

"What! Be old-fashioned?"

... not if I know it!"

"BUT I *would have been* out of date if I hadn't quit trying to do by hand what machines can do better and quicker." So declares Florence Wall, alertly successful secretary.

"Sometimes Mr. Ross would dictate to me for two or three hours straight. Then came the job of going through all that dictation again to type it. I couldn't help feeling that this double work was hindering progress."

These observations by Miss Wall reflect the best thought of many an ambitious secretary in this year of 1928.

"Then there was the great difficulty," she continues, "that not one of our secretaries could read another's notes rapidly and without errors. When we were rushed there was no help. For me it was a case of

keep on typing to the last period, no matter how many other things I should be attending to for Mr. Ross.

"All this was *before* we used The Dictaphone. Now I continue to handle all of Mr. Ross's dictation, but without going through it all *twice*, as with shorthand. And I am now a real assistant because I can give proper attention to my other secretarial duties.

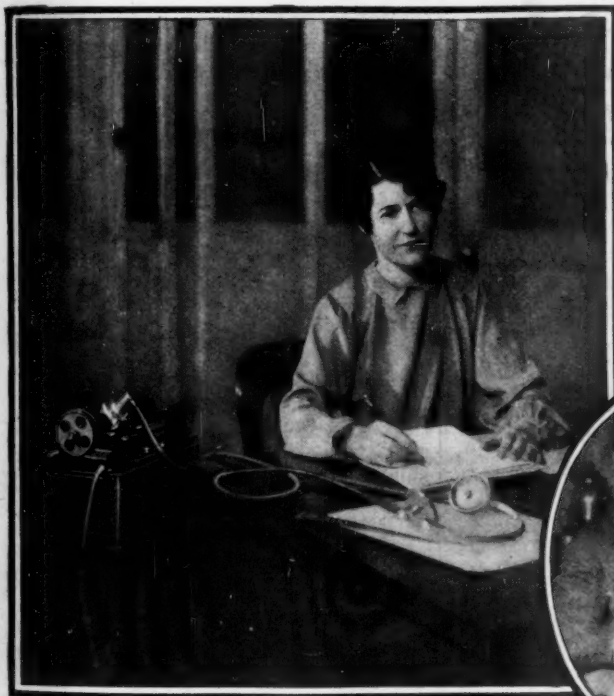
"Without doubt The Dictaphone helps business to progress nowadays, by reducing human resistance and helping to get things done *on time*. This is an electrical age, and I'm glad the chance came to me to keep up with the pace being set by modern leaders."

Mr. Ross is just as outspoken. He says, "The Dictaphone is a great time saver and convenience. It has reduced the pressure so definitely that I would not again try to get along without it.

"In the single matter of reducing interruptions to concentration it is worth any price you might ask for it. The modest price you do ask is no measure of its worth."



Snapshot of Miss Wall on one of her annual foreign vacation trips.



Miss Florence Wall, Secretary to Mr. Ross, is an expert shorthand writer who handled all of her employer's voluminous and often difficult dictation *exclusively* by the shorthand notebook method. Later she did the same work *exclusively* by the modern Dictaphone method. Read her vivid comparison of results obtained in a busy office by each method!

DICTATE TO THE DICTAPHONE

REG. U.S. PAT. OFF.

and double your ability to get things done



F. J. Ross, President, F. J. Ross Company, Inc., directs fact-finding research into marketing conditions and deals with knotty advertising problems of big business, among them James D. Dole's development of the pineapple industry (Hawaiian Pineapple Co.); the Paint and Varnish "Save the Surface" campaign; American Can Co.; P. & F. Corbin, Builders' Hardware, etc.

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for either this book,
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Dictaphone Sales Corp., Graybar Bldg., N. Y. City

- ☐ You may tell your nearest office to let me try the New Model so without obligation.
- ☐ I want to read what leading executives or secretaries said, *when interviewed*, about increasing their ability with The Dictaphone. Mail me a FREE copy of your book.

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For Canadian inquiries address Dictaphone Sales Corp., Ltd., 33 Melinda St., Toronto, Canada
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NB-2



Harnessing a ... Hurricane!

... to ventilate the world's longest vehicular tunnels

TO unleash a hurricane—tame its fury—then put it to work. This was the task which confronted engineers in ventilating the Holland Vehicular Tunnels that link New York and New Jersey . . . recently completed after seven years' labor at a cost of \$48,000,000. Giant fans which would handle 1400 tons of air per minute had to be designed and built. Unprecedented problems were involved. Only engineering skill of a high order could solve them. Only exceptional manufacturing resources could build the fans . . . And again the name Sturtevant is linked with a great achievement.

B. F. STURTEVANT COMPANY, Hyde Park, BOSTON, MASS.

Plants at

Berkeley, Cal.

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Galt, Ontario

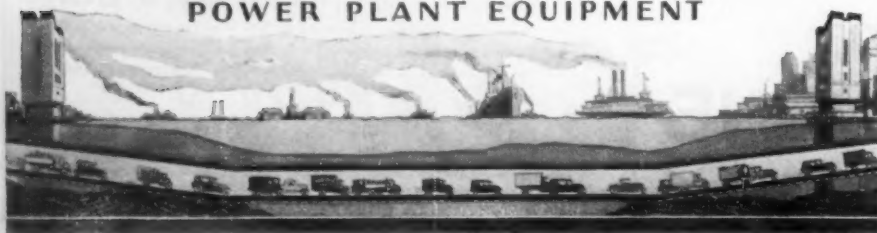
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HEATING-VENTILATING AND
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When writing to B. F. STURTEVANT COMPANY please mention *Nation's Business*

What Do We Get for Our Money?

(Continued from page 26)

factories are turning out better styles and better fits than any tailor or dress-maker can.

"I purchased a fur coat last year from a small tailor shop. After numerous fittings the coat was completed. Then I discovered that it somehow lacked the fit it should have had. I brought it to their attention, but they did not seem to see the difficulty. Later I noticed the fur was not wearing as well as it should have. Making inquiries among my friends, I found out that their factory-made coats fit them much better than mine and they had a better quality of fur. The coats were about the same price."

My inquiry also went to a married woman, an excellent housekeeper who all her life has enjoyed a substantial income. She wrote:

"As I see it, your friend is trying to have all the things which go with an income of \$5,000 or \$6,000 per year on an income of \$2,600. Consequently everything he buys is a cheap affair made to look like an expensive one.

"He should not try to have a shower in his apartment; he should choose a plainer place which has an old-fashioned tub—then he could take a bath in comfort.

"Instead of buying a ship model which *must* be handmade by an expert craftsman to be good, he should buy a piece of blue pottery from the southern mountains for a dollar or two. This is the best of its kind—good to look at and honest in workmanship. A good electric percolator is a very expensive thing, but the best percolator to set over a blaze costs between four and five dollars. I used mine seventeen years, with no expense except occasionally to replace the glass top.

"I'll wager his lamp was all fancy shade. You can get a good one with a small colored metal shade for about five dollars. They last forever and look well.

Buying Looks or Value?

HE IS the kind of buyer who helps to fill the stores with cheap stuff because he wants the things that look expensive rather than the things which are substantial. Also, they are handicapped by never having bought or lived with the best. The woman who is used to Oriental rugs, sterling silver and good linen is much better able to choose inexpensive things because she has standards of value. The person who hasn't had such advantages will have to educate himself by reading and observing what is in the best stores until he knows real from shoddy and desires the real, before he can hope to buy to advantage."

From an advertising man, with a family of three children, I received this:

"I can't get excited about the point

of view that is expressed by your critic.

"Has there not always been faulty merchandise from the year 1 up to the present time? Is there any evidence to show that the percentage of imperfect items is greater than it was 100 years ago as compared to the total production?"

"Furthermore, I feel that the responsibility for imperfection lies with man and not with the machine. Lax inspection, low standards of quality, and dishonesty, are human failings and would seem to me to be just as influential in the handicraft age as they are in the machinery age.

"Isn't it better to have 100,000 Ford cars or Dunhill Lighters available for consumption, even though 10 per cent of them are faulty, than it is to have 100 hand-made units of each, all perfect?"

"Of course, we are getting a lot of junk for our money. Some of us, however, are getting less than others because we have ceased to be babes in the woods when we go shopping. It's almost impossible to keep from being gypped once in a while but it's hardly necessary to be gypped all of the while, or twice by the same gyp."

Ready-made Clothes Vindicated

"ON SEVERAL occasions I opened the subject for discussion at luncheon and dinner. One man whose income is more than \$15,000 a year said he had been buying ready-made clothes for five years. The buttons, seams, and workmanship were entirely satisfactory. He thought the style and fit were better than could be obtained from the usual tailor charging the same or higher prices. Another man said he had been buying ready-made clothes for twenty years. He was satisfied. Their wives, both critical women and careful buyers, expressed approval of modern manufacture and merchandising. Only people who try to buy looks without quality get stung, they said. Both women were amazed at the willingness of the modern store to exchange faulty merchandise. No argument, no questions. But seldom do goods turn out other than as represented.

What is \$2600 Worth?

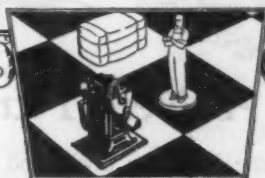
MY RESEARCH took me to a college professor who devotes part of his time to inspection tests for the United States Navy. He wrote:

"I should say your man has several fallacies in his reasoning and overlooks a number of facts that are pertinent to the situation. In the first place, he forgets that \$2,600 per year income today is equivalent to about \$1,500 per year in 1914 as regards purchasing ability. I doubt if, in 1914, a man with an income of \$1,500 per year was spending much money on ship models, and such.

"Your friend has been unfortunate in the things that he has purchased, but had he personally inspected the goods before they were shipped from the stores

HERE MR. SECRETARY IS THE ANSWER OF ONE INDUSTRY

No. 2 of a series inspired by the report of Secretary Hoover's Committee On Elimination of Waste.



PLANNING MOVES FIVE YEARS AHEAD

Seasonal production with all its economic disturbance persists as an evil in many American industries. But in telephone making it has well-nigh disappeared.

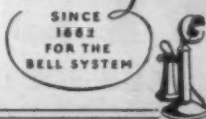
Western Electric knows substantially what it must produce five years hence because of its close relation to the Bell System. Telephone engineers, skilled in gauging population trends in the growth of telephone service, establish the requirements to which Western Electric directs existing production facilities, and provides for additional facilities when and where needed.

What follows is a production curve relatively free of peaks and valleys. Inventories are kept at a minimum, machinery is busy, employment is stabilized, plant investment is accurately related to production needs, wages have progressively risen relative to the cost of living, while prices have been substantially reduced.

Thus does Western Electric, by balancing production with demand, eliminate waste in the great industry of telephone making.

Western Electric

Purchasers... Manufacturers... Distributors



Producing Goods in England



A New Plan

Do you sell goods on the British market?

The British market with its population of 44 millions is as great as that of the thirteen most densely populated States of the Union—of high purchasing power, and accustomed to American merchandise.

Build a factory in Great Britain and add largely to your turnover.

And to find a location that will suit your purpose, go to the organization that can give you the widest choice of factories and factory sites.

The largest register, by far, of plants and sites for plants in Great Britain is in the hands of Britain's greatest railroad, the L M S. The L M S is not only the premier railroad, but it is the railroad that serves all the important industrial sections—75% of the population by its own direct

lines, and the remainder by direct connections.

Whether your factory must be near the seaboard, near the coalfields, near the labor or near the market, the L M S can find out the site you want, and on every proposition the L M S can give you the information you need to make a decision.

Cost of labor, cost of power, water, fuel, freight charges, every single question you can ask on these heads, is on the file of the L M S. If you want sidings or private tracks, if you want storage, if you want water carriage, the L M S can tell you where you can get them and what they will cost.

Whatever information you want about a plant or a warehouse in Great Britain is at your disposal right here in America.

All you have to do is to write to:

THOMAS ARTHUR MOFFET

Freight Traffic Manager in America

LONDON MIDLAND AND SCOTTISH RAILWAY OF GREAT BRITAIN
ONE BROADWAY, NEW YORK

*Some prominent American firms having Plants or building
Plants on sites alongside L M S Railroad:*

Chesebrough Mfg. Company
Ford Motor Company
General Motors Corporation
General Electric Company
Goodrich Tire & Rubber Company

Goodyear Tire Company
H. J. Heinz and Company
Kalamazoo Company
Western Electric Company
Wm. Wrigley Jr. Company

LMS

TERMINAL WAREHOUSES

When writing to LONDON MIDLAND AND SCOTTISH RAILWAY please mention Nation's Business

practically all of the difficulties of which he complains could have been detected.

"As far as your own comment is concerned, I should say that the 'mechanical age' has perfected mass production on only a comparatively small number of products so far; these products are all made of materials which are substantially homogeneous and of uniform quality, and in most cases do not depend upon such delicate processes as the tempering of a razor blade, for example.

"Mass production will probably never be applied to wood products because the raw material may be irregular and uncertain. Therefore, we must always be on our guard in purchasing wood-base products and others of similar irregular character."

My conclusion from the investigation is that the vast majority of buyers are grateful that we are living in a machine age. They are certain that we are making progress, and that honesty in trade is more common today than it ever was. Junk is made for those who wish to buy it, but the purchasers of it have ample warning of what they are getting.

Sports for Middle Aged

CASSIUS was rated a dangerous man because he thought too much. Like some of our business men, he had forgotten how to play. Of course, it is too much to expect portly middle age to cut a figure in children's games. The blessing is that recreation is not confined to exercises that strain flabby muscles and hardened arteries. For tempering prescription to capacity Prof. H. A. Scott of the University of Oregon has a suggestion that invites consideration. He would teach boys recreations they could enjoy in middle age.

By his recommendation, fishing, hunting, hiking, camping, and gardening would become additions to college athletics. Judgment in this behalf is based on opinions he obtained from three hundred business men. The trouble seems to be that physical education in the colleges is centered on football, baseball, basketball, and track and field events—on sports that are not likely to be continued long after graduation. Professor Scott wants to remedy this.

Well, if the colleges could encourage a love of hiking, the measured trudging 'round the golf course might become less essential in relaxing pressure on the American front. But some thought must be taken of the competitive spirit if the thing is to take hold. Fishing has its own peculiar possibilities in that direction, even though the "biggest one" always seems to get away.

Enduring fame likely would accrue to the first master angler who could write M. A. after his name. As for cabbage growing, nothing may come of commending it as a college sport. Progress should be recognized, however, when a professor of physical education takes notice of sports not classed as "major."

What Congress Is Doing

By FRED DEW. SHELTON

WITH a weighty docket before it, Congress finally has buckled down to the solution of economic issues. Taxation, merchant marine, flood control, tariff rates, appropriations and investigations occupy the limelight but back of the stage men are thinking and talking of presidential possibilities and the election prospects in the various states.

It will be only four months until the party conventions will be in the throes of nominating presidential candidates. As the time approaches, Congress grows increasingly agitated over the possibilities of the situation. We might as well accept the fact that little net legislation will come from this session.

This confusion is the usual thing at the end of a presidential term. There is another phase of the present session, however, which defies analysis in the light of experience. There are so many side issues that it is hard to understand the main trend of events.

Party control means little, especially in the Senate. In that body there are now 47 Republicans, 46 Democrats, and one Farmer-Laborite. Both Illinois and Pennsylvania have only one senator due to the Smith and Vare election cases. Actually, however, Senate majorities change with each issue that arises. It is doubtful if a straight party vote will determine any important decision.

Tax Cuts and the Budget

IT HAS been taken for granted by most people that taxes would be reduced and that the only question was whether the cut should be large or small. The House promptly passed a bill lopping off some \$290,000,000 of taxes, but the Senate Committee on Finance decided to let the measure rest until after March 15. If the public is apathetic, there may be no tax reduction.

Some Hidden Dangers

THE DELAY until after March 15 will cause business concerns confusion and inconveniences in planning their fiscal operations. It is giving them time, however, to voice violent objection to some administrative features of the House bill which appear innocent at first but, when analyzed, look very much like "heads-I-win-tails-you-lose" propositions with Uncle Sam flipping the coin.

The bugaboo of huge new appropriations has been projected into the picture. Similar warnings have always been issued. Our guess is that Congress will end this session without going far beyond the appropriations asked for in the budget estimates. There

probably will be increases authorized, but it is another matter actually to get the money appropriated. There is much talk of a bigger navy. As one observer put it, "Congress may authorize 47 battleships and appropriate for one submarine."

The alien property settlement will require an advance of funds from the federal treasury, but the amount will be returned in future years. If a flood control plan is adopted, it will cost a good deal of money, but it will be spread over many years. There undoubtedly will be some enlargement of expenditures for post offices and other public buildings.

However, Congress regularly has actually appropriated less money than advocated by the Bureau of the Budget. Much of the credit for economy in the Government may be attributed to the House Committee on Appropriations under the chairmanship of Representative Martin B. Madden of Illinois.

Merchant Marine

THERE was considerable surprise over the Senate's passage of the Jones bill to extend and expand government ownership and operation of merchant ships. The Senate bill is not likely to pass the House unless modified, and, if it should, a presidential veto would be consistent with the oft-repeated declarations of President Coolidge.

An effort will be made in the House to substitute some form of government encouragement that will promote private shipping lines through granting mail contracts and contracts for the maintenance of essential trade route services. Also an attempt is being made to authorize ship construction loans at low rates on conditions that would make, of ships thus built, auxiliaries of national defense.

Flood Control

A MULTIPLICITY of plans for flood control confuse that issue. There is a clash between those who want work confined to the lower reaches of the Mississippi and those who want a plan extended to the tributaries. Another point of controversy is whether or not the states shall be required to share the expense.

The report of the Engineer Corps of

the Army, as finally submitted to Congress, calls for state participation in the cost. There seems to be strong sentiment in Congress against such state contributions and in favor of having the federal Government take full control and financial responsibility.

Farm Relief

COMMITTEES of Congress have begun hearings on farm relief. Advocates of the equalization fee idea are insisting on their primary proposal. It is said that they prefer defeat to compromise. Its passage would take farm relief out of the political arena, and many of its sponsors are said to want it kept as a political issue.

Increased attention is being paid to the export debenture plan, an idea that came out of Illinois and now is sponsored by the National Grange. A strong effort will be made to substitute this plan for the McNary-Haugen equalization fee bill. The equalization fee bill will not become law this session.

Tariff

CURRENT FARM relief agitation is leading to a cry for tariff revision. Added rates on agricultural products are being proposed in the House. The Senate passed the McMaster resolution favoring downward revision of tariff rates to benefit agriculture. The House promptly rejected this suggestion, but signs are increasing that the time for a new tariff law is approaching. The general belief is that it will be at least two or three years before Congress seriously undertakes the job. There may be some concern if the Senate should tack a tariff rider on the tax bill but the chances of such a rider becoming law are negligible.

Water Power and Public Utilities

THE Colorado River project persists as a bone of contention. There will be a spirited fight to put through the Swing-Johnson bill for construction of the Boulder Dam project by the federal Government. Senator Phipps of Colorado has introduced an alternative bill. There is also a move in the House, sponsored by Representative Davenport of New York, to eliminate the clause for federal financing and substitute financing through joint authority of the seven Colorado River states. These states are still at loggerheads over distribution of water and power. The chances are against a final settlement in this session.

Muscle Shoals remains a many-sided controversy, and a solution





This BOOKLET Should be on Your Desk

It contains the statements of nationally-known manufacturers who are serving the Pacific Coast and the countries of the Far East more efficiently and economically from Oakland (or the industrial area of Alameda County) than would be possible from any other point in the eleven western states.

FACTS, *rather than* FANCIES

In this booklet—"We Selected Oakland"—are solid, meaty facts written by the heads of industries operating in this district. This booklet is written by hard-headed business men for sales managers, board chairmen, directors, and other business executives, who require facts rather than fancies; facts established through actual experience in manufacturing, selling and distributing merchandise of many kinds in the Pacific Coast territory.

If you are interested in increasing sales West of the Rockies and in the countries bordering the Pacific Ocean, instruct your secretary to send for a copy now. Your copy is waiting, ready for mailing; all it needs is your name and address.

Then—having read this booklet and found the reasons why manufacturers of commodities ranging from bar candy to huge tractors "Selected Oakland," a detailed industrial survey will be prepared, if you so desire, without cost or obligation.

*Send now for "We Selected Oakland,"
it deserves a place on your desk.*

Write Industrial Department

Oakland Chamber of Commerce, Oakland, California

or the Chamber of Commerce of any of the following cities:

Alameda Berkeley

**Centerville Emeryville Hayward Irvington Livermore
Newark Niles Pleasanton San Leandro**

When writing to OAKLAND CHAMBER OF COMMERCE please mention Nation's Business

acceptable to both Houses of Congress is not yet in sight.

The Walsh resolution for a Senate investigation of power company financing has been favorably reported to the Senate.

Water resources and the accompanying problems are gradually growing in importance. Boulder Dam, Muscle Shoals, Columbia River Basin, Great Lakes-St. Lawrence waterway, river and harbor improvements, flood control levees and reservoirs, water power monopolies, conflicts of federal and state waterways jurisdiction, and the treatment of water resources as a factor in irrigation, reclamation, forestry, freight rates, coal, petroleum and the national defense, all join together in making a series of problems that will perplex legislators for many years to come.

Postal Rates

A BILL for revision of postal rates has been put forward by Chairman Griest of the House Committee on Post Offices and Post Roads. It proposes substantial reduction of rates. The McKellar bill in the Senate goes somewhat further in restoring the rates of 1920.

Parcel Post with Cuba

REPEAL of the tobacco imports restriction law of 1866, urged by President Coolidge as a requisite for negotiating a parcel post convention with Cuba, was advanced when the bill of Representative Watson of Pennsylvania was reported to the House.

Congressional Investigations

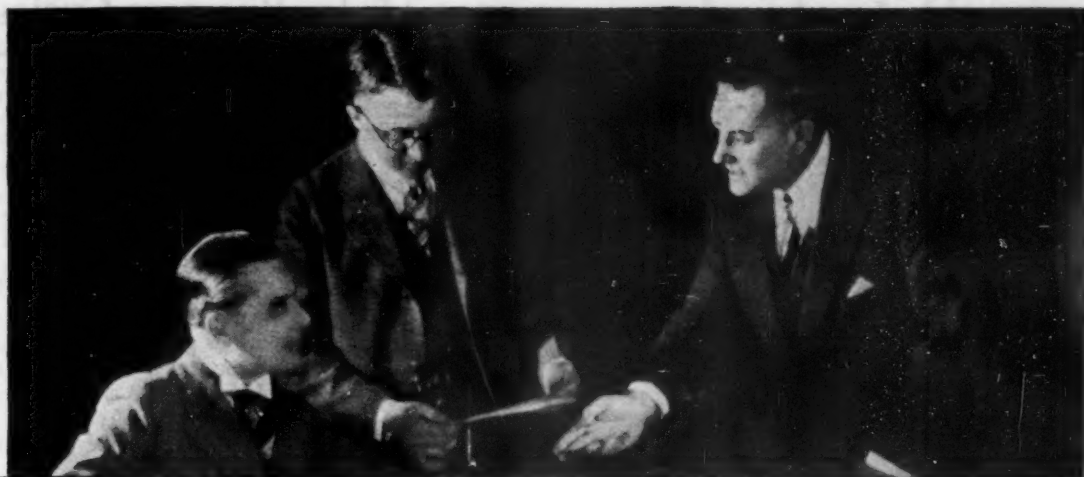
THE number and scope of Congressional investigations are increasing apace. The list includes: Election expenditures, Federal Reserve system, tax refunds, American loans to France, espionage in industry, American concessions abroad, cotton reports of the Department of Agriculture, public utility financing, condition of the Indians, naval oil reserve leases, marine activities in Nicaragua, Pennsylvania coal field conditions, sinking of the S-4, telephone, telegraph and cable rates, American-Caribbean relations and radio monopoly.

New Ideas in Legislation

THERE are specimens of brand new legislation that deserve attention. They deal with new subjects and new conditions.

In this category comes the current proposal to authorize foreign air mail services, especially to South America.

Another pioneering project is the movement for outright federal construction of national highways or trunk lines without regard to states, cities or local contributions. This is not likely to be put into effect soon but is mentioned here as one of the many new proposals that has possibilities of assuming tangible form in the next few years. This may be one of the fruits of the growing opposition to the 50-50 federal aid to states.



Let the N.L.C. *find "X" in your problem*

"N. L. C." three cryptic letters, stand for the National Lumber Consultant, who is able to discuss the right uses of wood as well as the right wood for every use. He and his associates are fitted to cope with the largest problems confronting the manufacturer either in the maintenance of plant, building or equipment; or the smallest problems incidental to the use of wood as a raw material in the manufacture of his product.

Just as it is possible for "the Jack of all trades to be master of none" so the corps of experts is divided into highly specialized groups, each studying a particular problem. Through the fund of their experience numerous instances are



noted where manufacturers who previously used wood have temporarily turned away to some substitute and then have reverted to the use of wood as the solution of their major problems. Not a single

month passes without some dramatic instance being recorded where members of this corps have been able to effect large and appreciable savings to their clients.

A request on your letter-head will bring either additional information regarding this service, or a personal call from the "N. L. C.", as you desire.

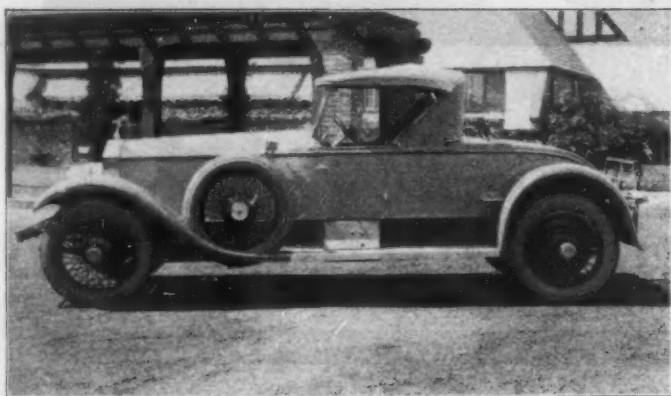
Remember this service to you is absolutely without cost, and without thought of obligation!

NATIONAL
LUMBER
MANUFACTURERS ASSOCIATION
WASHINGTON, D. C.

AMERICAN STANDARD LUMBER FROM AMERICA'S BEST MILLS

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A *n unusual opportunity to buy a fine motor-car at much less than list price*



THIS Rolls-Royce Chassis with new Piccadilly body comes on the market after being thoroughly reconditioned throughout at the Works at Springfield, Mass. It carries a full new-car guarantee.

Finished in lacquer of luxurious Gendarme blue with black fenders and body striped in white, it will instantly appeal to the owner-driver. As fitting this model, its upholstery is black leather—all new throughout. Its rumble seat accommodates two passengers, or affords ample space for luggage. In appearance, in performance and in safety, this Rolls-Royce is equal to a new car. New, BS-56-PE would cost nearly twice its resale price. It may be had for \$8500.

Here is a motor-car for any individual who naturally prefers the best. To be seen at New York Salesroom and available for trials at your convenience subject, of course, to prior sale. Photographs and descriptions of this car may be seen at the following Rolls-Royce branches:

ROLLS-ROYCE

NEW YORK—58th at Eighth Ave.	SAN FRANCISCO—461 Post St.
NEWARK—190 Washington St.	COLUMBUS—362 East Broad St.
BOSTON—1035 Commonwealth Ave.	PHILADELPHIA—Walnut and 21st Sts.
CHICAGO—2512 S. Michigan Ave.	MONTREAL—4010 St. Catherine St., West
CINCINNATI—11 East 8th St.	SPRINGFIELD, MASS.—454 Bridge St.
LOS ANGELES—3136 Wilshire Boulevard	HARTFORD—326 Pearl St.
CLEVELAND—7505 Carnegie Ave.	PALM BEACH—331 Worth Ave.
PITTSBURGH—3939 Forbes St.	ATLANTA—98 Cone St.

Business Cycles— Wheels of Chance?

(Continued from page 31)

the opposite story. Would it have done us much good? If I should obtain positive evidence tomorrow that we were about to enter upon the same siege we went through in 1921, should I be much better off?

If the ship goes down, I go down, too. I can curtail operations, of course, but I can never get away entirely from forward commitments. If I am running a store, I have got to carry a decent stock, or lose my trade. If I am a manufacturer, I have got to keep up my organization, or the business will go to my competitor.

When the squall struck in 1920 there was no time to take in sail. You were dismayed or you were not. There were some wise ones, I know, who say now that they foresaw the depression and cleared their decks for it. Incidentally, they are the same people who got ready for the panic of 1926.

A Safe Prediction

TO PREDICT that we shall, but not at any specifically stated time, be in the clutch of a depression is hardly more profound than to say that some day (heaven knows when) we should be in the hospital.

Most business depressions have differed from each other. To make the perfectly obvious statement that a sick man invariably goes through a certain rather well-defined pathological cycle, regardless of what his disease happens to be, is not very helpful. The only good it does is to teach us that when we feel mean we had better go to bed and take it easy. That is exactly what every business man does when he feels the first pains of a business depression coming on.

To know when a panic is about to break is as difficult as it is to recognize a person whom we knew slightly a number of years ago, and who is now wearing a disguise. At every stage of business there is always some new factor which camouflages the whole situation. The cyclists tell us that if we want to win the football game we must play the game according to certain tactics. Their reasoning is that, since these tactics would have been effective at the time of the last depression, they ought to work next time. But they make no allowance for the fact that the rules of football have changed.

Ask a dozen cyclists what effect the instalment credit situation is going to have on the next business depression. You will get a dozen different answers. What about the huge reserve of savings, held by four times as many people as before the war? What about the Federal Reserve System, operative today as never before? How will these and other new elements affect our next depression? Whatever enlightenment you elicit (if

any), my wager is that the next panic will be entirely different in its externals from what 50 per cent of the cyclists lead us to expect.

In every business depression there is apt to be some precipitating and supposedly accidental factor which starts the avalanche. Who shall say that this accidental factor (sometimes an earthquake, sometimes a fire, sometimes a war) is not in reality one of the major causes of the depression?

There is some evidence to support the contention that the business cycle is at the bottom a matter of mass psychology, set off by one of these "accidental" occurrences. There is a run on the bank. The line forms. It is made up of men and women who had previously never felt a qualm. Many a sound institution has foundered because an unexpected gust of rumor struck its sails.

If it is admitted that the nature of the business cycle is in part psychological, then its basis must be to some extent a basis of uncertainty, as in the case of the bank. Otherwise, the whole phenomenon would be material and mechanistic in nature, and amenable to prediction. Take away this element of uncertainty, this doubt as to whether we ought withdraw our savings (for fear someone else may pull them out ahead of us), and perhaps business would flow along at practically a dead level.

Is There Any Cycle?

I HAVE my own doubts whether, even as things are today, there is any business cycle at all. It depends upon what you mean by the word *cycle*. Admittedly, there are good times and there are bad times, just as there is war and there is peace. The phenomena of war may follow a certain general sequence, but this does not help us in the prediction of wars or their outcome.

If, on the other hand, you mean by the word *cycle* something that is really cyclical, something wave-like, something rhythmical (the cyclists all use these adjectives), then it does not seem to me there is any such thing as the business cycle. The element of periodicity, that is, the essential element, is lacking.

Get as many figures as possible. Select them sparingly. Chew them thoroughly. Digest them slowly. Keep in constant touch with what is going on. Delegate a man, if necessary, for this purpose. Put him in the lookout's nest. He may save the ship, some day. But place common sense above statistics.

As for the business cycle, I do not think it is safe enough yet for the business man to ride. Travel afoot. The speed may not be so great, but the equilibrium is better. The cycle is a fine thing for those who know its tricks, who have no load to carry, and who have nothing to risk but their necks.

Economic cycles are a worthy problem for the economists, but it is foolhardy for the business man to experiment with them. For the present, he is better off with both feet on the ground.

Names—and what they mean



Paisley Shawls

The soul of a city was once woven into a shawl. The masterpiece was named after the city where the shawl was created—Paisley, Scotland. Famed for its magnificent abbey, its county and municipal buildings, the skill and thrift of its inhabitants, Paisley enjoys a world-wide reputation for the quality of the products from the looms of its many mills. Whatever is done in Paisley is well done. At one time the sale of Paisley shawls brought more than \$4,000,000 annually to the coffers of the city. The Paisley shawl, as every woman knows, is characterized by the elaboration of its design and the glowing harmony, brilliance, beauty, depth and enduring qualities of its colors. Other shawls there are, but none so well known and so eagerly sought for as the Paisley. It is worthy of note that some names begin by being merely tags to identify a product and are soon forgotten. Other names, like Paisley, acquire, through years of superlative merit in the product itself, a personality, a definite measure of value that is quickly recognized. Such a name, for instance, is

Tycos

It is accepted as a standard of excellence and value in the invention, manufacture and employment of instruments for indicating, recording and controlling temperature in the home, the office, the factory, the hospital, and on the farm. In industry alone the name TYCOS symbolizes a Sixth Sense which makes possible the correct and efficient application of the five familiar senses—sight, hearing, smell, taste and touch. TYCOS on Temperature Instruments means the same as Paisley as applied to shawls.

In the world of textiles and textile manufacture, there are almost numberless processes—some crude and others subtle—which are the means to the end that you may have what your heart desires in fabrics and for which your purse may pay in the clothes you wear. The woollens and cottons, the silks and satins and the many other fabrics that give protection to the body and satisfy the love of correct fashion, brilliant or subdued colorings, plain or intricate weaves are yours in greater variety now than ever in the history of the world, because of the part TYCOS Temperature Instruments play in the chemical processes that produce the dyes, in the sizing of the yarns and weaving of threads in the drying and shrinking of fabrics where heat is a factor that must always be under control. The textile mills of the world find in TYCOS Temperature Instruments the agencies for indicating, recording and controlling temperatures to the end that your clothes may wear longer, possess greater beauty and cost less. What is true of TYCOS applications in the Textile Industry is true in all other industries.

Tycos Temperature Instruments

INDICATING—RECORDING—CONTROLLING

Office Thermometers

An aid in promoting human efficiency.

Bath Thermometers

To enable you to get the most good from your bath.

Home Sets

Bake Oven Thermometer, Candy Thermometer, Sugar Meter. The secret of accurate results in cooking.

Wall Thermometers

To help you maintain a temperature in your house conducive to good health.

Quality Compasses

To show you the right way in unfamiliar country.

Fever Thermometers

A necessity in every home.

Stormoguides

Forecast the weather twenty-four hours ahead with dependable accuracy.

Hygrometers

To enable you to keep the humidity of the atmosphere in your home correct at all times.

FOR THE MEDICAL PROFESSION

Sphygmomanometers, Pocket, Office and Recording types. Urinalysis Glassware. Fever Thermometers.

Taylor Instrument Companies

ROCHESTER, N.Y. U.S.A.

CANADIAN PLANT
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MANUFACTURING DISTRIBUTORS
IN GREAT BRITAIN
SHORT & MASON, LTD., LONDON

*Thermodine
Unit Heater*



—and keeps it down at working level

PLAN your industrial heating as you do your lighting!

You would not install one big light to get uniform illumination in a large building. Nor even a number of lights if undirected or widely separated. Then why expect uniform heat distribution with a few large heaters or with the undirected heat of cast iron radiation or pipe coils.

With the Thermodine Unit Heater, you can have just as effective control of heat as you have of light. The Thermodine is installed over head, suspended from the steam main. A motor driven fan drives air through the copper steam condenser. Deflectors control the downward course of the heated air — directing it down to the occupied zone. After warming the lower strata, it rises to the plane of the heaters, where it is reheated and again delivered down where it is needed. Thermodine Unit Heaters thus deliver more effective heat, concentrating it in the working area, avoiding heat accumulation at the roof.

In addition to this scientific heating, Thermodine offers new flexibility — quicker heating, better control of temperature, greater economy. On mild days and during the warmer periods of the day, you can shut off all but a few units. Save on fuel — provide comfortable working conditions.

The Thermodine Unit shown above replaces approximately 4900 lbs. of cast iron radiation. There's a Thermodine adaptable to any size space.

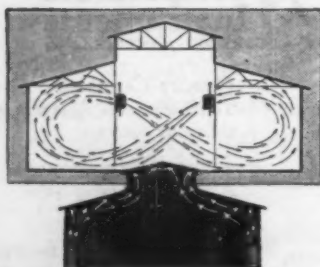
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(Heating Division)

1710 Racine Street Racine, Wisconsin

Branch offices in all large cities.



Above—Illustrating how Thermodine Unit Heaters circulate, and recirculate heated air.

Below—How uncontrolled heated air circulates in a building.

TherModine

Unit HEATER

For Steam or Hot Water Heating Systems

When writing to MODINE MANUFACTURING CO. please mention Nation's Business

In the Workshops of Congress

(Continued from page 29)

of the Budget and approved by the White House. For six years the total saving, so to speak, between budget recommendations and the actual appropriations by Congress is \$359,193,432.97.

Important, or relatively less so, the committees are the real workshops of Congress, and no legislation is written into law until after it has run the gauntlet of committee inquisition, inspection and investigation.

Amendments to the Amendments

SIMPLY because a bill passes muster in committee and is reported for action, it by no means follows that it becomes law. It may be rejected outright, or, if it passes, it may be so amended on the floors of the houses that its own committee fathers can scarce recognize it. Such was the experience of the revenue bill in the House during the present session. As passed by the House it was quite a different measure from that which came from the Ways and Means Committee. And the end is not yet, for, as this is written, Senate ideas have yet to be incorporated into it and may radically change it. In such an event the measure must clear still another committee hurdle—a conference committee, a joint group of both House and Senate. When the conference committee has agreed, the conference bill must then again run the gamut of final passage in each house before it goes to the White House for approval or rejection.

This picture of the workshops of Congress is a bit at variance with the rather widely accepted idea that Congress is mostly engaged in staging an indifferent sort of vaudeville.

Congress, to be sure, has its gallery-players, its pouter pigeons, its arena stalkers, its lightning defiers, its viewers-with-alarm and its pointers-with-pride, but, as a matter of fact, these are few and far between. Most members are hard worked, often sorely harassed citizens, representative of the integrity, patriotism and intelligence of the country and highly creditable to the constituencies that send them to Washington. Near the end of his quarter century in the House of Representatives the late Speaker Champ Clark said of congressmen as he had seen them come and go:

"Most men who achieve reputations (in Congress) build them by patient, careful, unremitting toil. . . . There is a class of men in Congress—and they constitute the largest group of prominent actors there—who do not rise to sudden eminence by one brilliant effort. . . . They are the slow but sure climbers. They are forceful, cautious, vigilant, conservative, safe and successful."

First and last, that is a fair appraisal of today's Congress, too.

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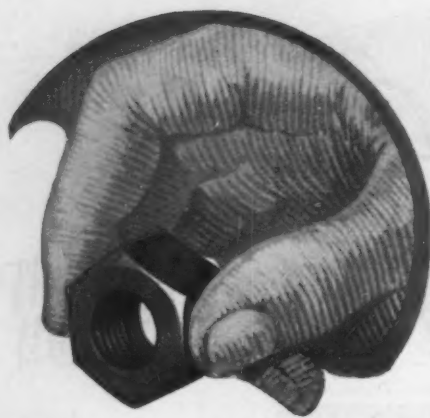
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Movers of Mountains

(Continued from page 21)

for that job. There's been a pile o' dirt shoveled in a raft of places between the time of them shovels and these dirt hogs of ours, buddy. It's all right to be patriotic, but don't forget we've had a lotta time to learn since the Frogs tried this job. An' at that they dug seven miles o' canal with them little steam-moles. They done pretty good with the tools they had, an' the tools they had was pretty slick for that time in history; they were pretty good men, the Frogs. They dug the Suez Canal, remember, buddy. An' while I don't mind admittin' *we're* better, the main difference is that we got the tools they didn't have an' couldn't get. An' twenty years from now the guys on some other job'll be calling these shovels of *ours* teaspoons an' wonderin' how we done anything with 'em."

"So when I'm sayin'," the steam-shovel went on, "that bein' big we otta do a lotta work, I'm just tellin' you what I learned from my Cap'n—the best steam-shovelman that ever pulled a lever."

"And what I'm sayin'," spoke up a portable air-compressor near by, "is that—"

"And what I'm tellin' you," interrupted the freight gondola on which the turret lathe had come in, "what I'm telling you is that a fat lot of good it would have been for you air drills and dynamiters and steam shovels and other civilians to bust down mountains if a string of railroad roughs like me wasn't right there to cart the mountains away and dump 'em in the Gatun dam."

"You guys talk," grated a cement mixer, "as if that Panama racket was the only job that ever happened since the beginning of the world."

"Well, it was the biggest," said the air-drill, "and—"

"Little Items Like That"

"WELL, of course, I'm only a young fellow, and in fact I was iron ore back in the days you were down there digging up mountains and blowing about it ever since, *but* I been on a job or two myself. Roosevelt Dam, New York Subway, little items like that. And you wouldn't believe how much grout passed out of my spout when I was working good."

"Oh, yes, we would," said the steam-shovel. "Because why? Because after you've seen what other machines down in the Zone could do, and what you could do yourself, you can believe anything. I remember one day at Gatun—"

"See, it's kind of a disease," the air-drill said, with its sharp staccato laugh. "If you ever worked in the Zone you never get over it. You date everything, even the late war, to 'When I was down in the Zone.'"

"Now I've driven drill heads into solid copper six thousand feet down at Calumet, and into solid rock fourteen

thousand feet up at Cerro de Pasco. I've helped smash through the Sierras for the St. Paul and chewed away at gneiss rock for the New York Central terminal, but the Zone's the place I remember and the canal's the job I boast about. It was down there I learned the air drill chorus:

"Drill, drill, drill, drill, drill,
Drill up on the mountain,
Drill down in the fill;
Drill in the hard rock
Half a mile down,
Drill in the subway, way down town,
Drill in the light and
Drill in the dark,
Drill, ye tarriers, bark! bark! bark!
Once you start you can't keep still,
Drill, ye tarriers,
Drill, drill, drill.

That's the tune you'll hear wherever we go, and it's the tune that kept us happy and peppy while we were perforating the mountains down in Panama."

A Steam Shovel Isn't all

"AND while all this steam and compressed air is being devoted to informing the universe what wows you guys were on the job," rat-tat-tatted a riveting hammer, "I modestly beg to remark in a quiet unassuming tone, that if a brigade or two of us sharp-shooters hadn't been down there to hammer the lock gates together so they'd hold water, all the dirt you moved might just as well of stayed where it lay in the first place."

"But we *were* there, doing the job, hammering red hot rivets in the hot sun and singing—boy, how *we* sang."

"Whaddyuh mean, singing?" grated the gondola, "if you call that racket *you* made singing, then a string of empties banging over switches is a symphony orchestra."

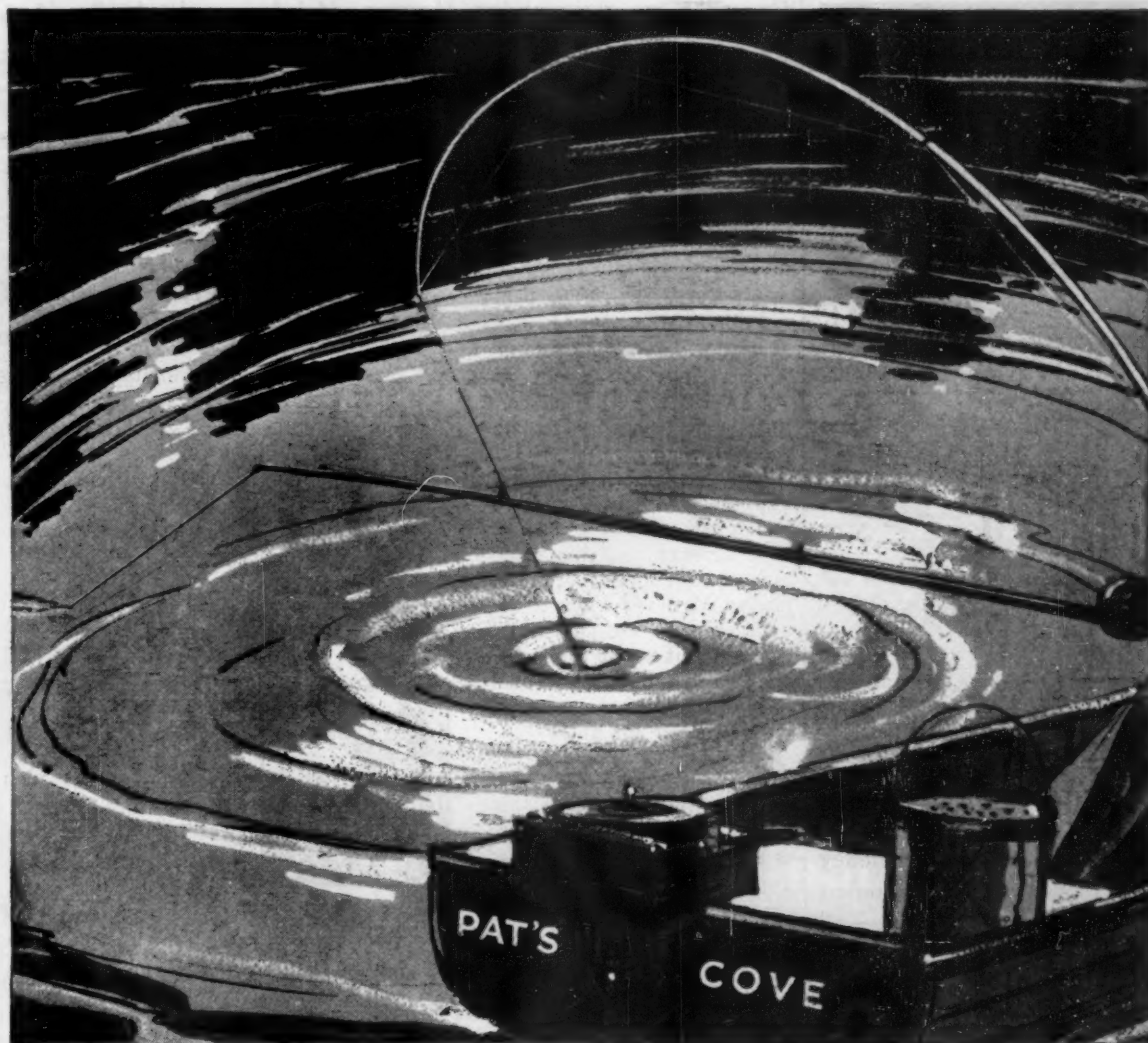
"Which it is, if you listen right," retorted the hammer. "And if *you* hadn't made so much noise with your flat wheels you'd have got the melody of our chorus."

"I'm a little hoarse myself from setting on this damp pier and it really needs about twenty other hammers to furnish the syncopation when we get going, but I can give you the words, anyhow. Want to hear 'em?"

"Oh, bark 'em out," said the air-drill, "it's a good song, almost as good as ours."

So, with a voice compounded of the staccato yammer of a rivetting machine on steel, and the hiss of escaping air, the hammer responded:

"Bang-bang-bangety bang,
We are the rivetting gang!
Feed us the rivets red hot from the fire,
We'll bang 'em home to the boss's desire,
Clang, clang, clangety clang!
We are the rivetting gang,
Hammering, yammering, clamoring loud,
We are a racketsy, clackety crowd.
Feed us the rivets and hark to our din



How much does it count for in *business success*?

A MAN does not fish with his enemy. Hunt with him. Play golf with him. To share his sports and recreation, his hours of ease, he seeks a friend. Our illustration is but a symbol of a state. Fishing, in itself, may have nothing to do with success; but when two men fish *together*, it implies a relationship which is a coveted one in the business world.

Where friendship exists there exists also an influence which works for the interests of the men, businesses, or nations concerned. Friendship is a recognized bond—a bond of *preference*. Commercial concessions are granted to the friendly nation. Com-

mercial awards go to the business or man to whom we are linked in the sentiment of mutual liking and respect.

"Cold business" is, in fact, pretty much a myth. Your goods, or services, must have merit—yes—in order to sell. But granted equality of quality in a competitive market, he *wins* who has the greatest number of friends.

Friendliness is promoted through Remembrance Advertising. For, Remembrance Advertising is itself friendly—both in expression and in intent. Users of Remembrance Advertising tell us it reaps unfailingly a rich harvest of good will.

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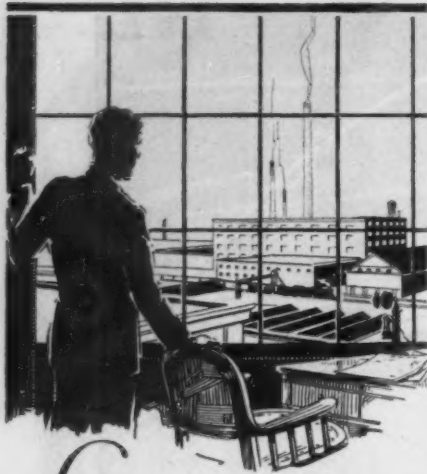
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Located here --- His Losses would have Turned into Profits !

A large northern manufacturer whose business had been suffering from increased plant overhead, recently investigated manufacturing conditions in Middle Georgia.

He checked in detail, the efficiency of labor here, power and transportation costs and availability to markets—all with reference to his own business. To his amazement he found that on production alone, he would have saved enough to more than offset the losses sustained by his business during the previous year.

Even though your business may be "different"—if you're interested in reducing costs without sacrifice of manufacturing efficiency or sales volume, you'll be interested in knowing what the Middle Georgia Industrial Area has to offer.

Send for the new book of facts.
Your inquiry for information will
be held strictly confidential, if
desired.

CHAMBER OF COMMERCE
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MIDDLE GEORGIA

Industrial Area

—Where Production Savings Alone
Will Pay Plant Dividends!

When writing please mention Nation's Business

Cramming 'em, ramming 'em, jamming 'em in!

Bang, clang, clangety bang!
We are the rivetting gang."

"It's a good song, and I've heard it all over the world," said the air-compressor, whose speech was a slow rhythmic thud. "Heard it on bridges and trestles in the Rockies and the Andes, heard it on skyscrapers in New York and Seattle, listened to it deep down in subways, and hearkened to it in boiler factories."

"Thanks, bo—for them kind words," said the hammer, "you musta travelled a bit yourself."

"A little," the air-compressor acknowledged, "enough to know that your ear-splitting voice is, after all, the voice of progress and civilization. I ought to know that, because wherever you go, I go along."

"Wherever you sing your song, I furnish the breath for it. If it weren't for me you'd never bang a rivet home or yammer a word of your hammer-chorus."

"And if it weren't for me," the turret lathe tried to drill into the conversation again, "if it weren't for me—"

"Well, how about us?" sulkily clattered a pick and shovel that leaned against the pier shed wall. "While you're talking about the dirt you fellows move and the skyscrapers you build, where would you be without us? We may not take five tons at a chew, but we have to clean up after the steam shovel that does. You can't put any tunnels through without us doing the fine work in the corners. I guess you gotta give us some credit, even nowadays. And before you steam and air and electric lads come along we done some pretty big jobs without you."

A Savor of Slavery

"I DON'T wish to be unkind or snobbish," commented the air-compressor, "but with due credit for all your past achievements I still don't think you are members of our Order. We don't object to honest labour, but while you may be necessary at times, you smell of slavery and sweat. You're the symbol of everything the free-masonry of machinery was organized to abolish. Anyhow, you're on your way out. You belong to a discreditable past. And you haven't any future—because in a few years there'll be mechanical power-driven devices to take the last least little job away from you."

"Hear! Hear!" rumbled, grated, clattered or barked the various other tools. "Chuck 'em out! Scrap 'em. Junk 'em!"

The pick and shovel trembled so at this chorus of animosity that the dirt fell off their surfaces into a little pile about them, which the shovel, by force of habit, tried to move. But not being a piece of machinery he couldn't do it, not even in his imagination.

"While we are discussing this matter

of lodge membership," said the turret lathe, seizing the opportunity to state the case he had been attempting to state ever since he entered on the flat-car, "may I call attention to the fact that I am a thirty-third degree Master in the Machinery Order, by direct descent from the first power-driven machine tool. May I further be permitted to point out that the Order wouldn't have any members if my ancestors and myself hadn't been invented."

The Queen Bee of Tools

"YOU fellows may plume yourselves on the amount of dirt you can move and the number of holes you can drill or the number of places you've traveled to, to pound rivets into bridges and things, and I admit I've only travelled twice—from the shop to the factory, and from the factory here. But it was I and my kind that not only made you all, but made the ships and trains that took you to these jobs you boast about. You're just tools—but I—I am the Master-Tool."

"Well, Master Tool," wheezed the switch engine, coming again on the pier as the great door slid back and let in the sunlight, "you may be my granddaddy, as you hint, but you're gonna follow me, follow me 'ome as Mr. Kipling says. Orders is

to yank you out of here along with the rest of your big and little grandchildren you've just been lecturing to."

"Where are we gonna be sent to this time, Hump?" barked the air-drill. "Hope you're hauling me to a good hard-rock job where I can do my stuff proper. I have got a little rusty loafing on this damp pier."

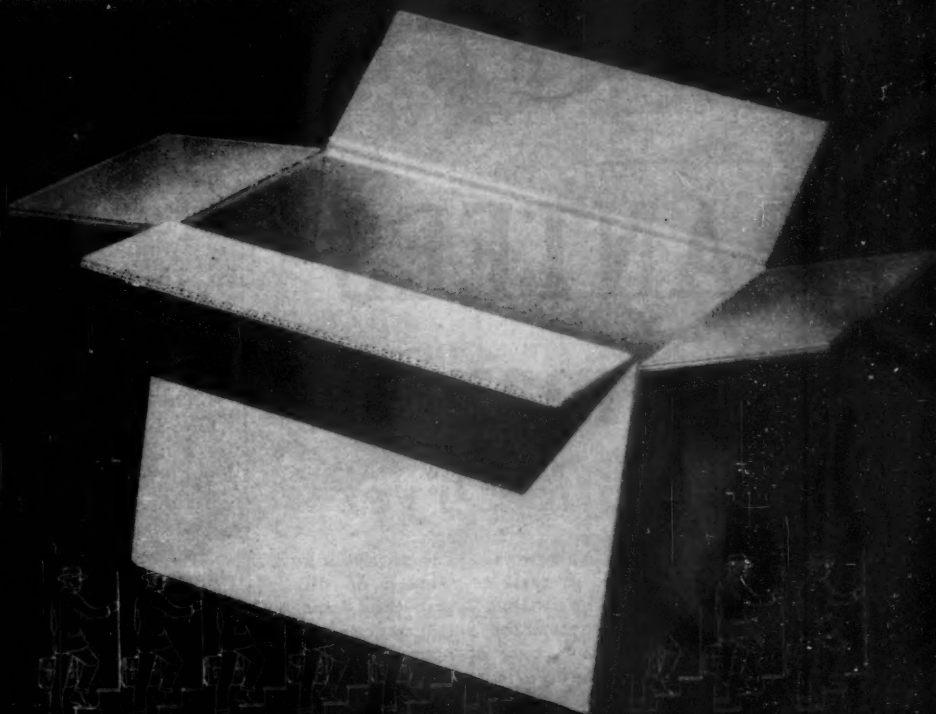
"I'm just rarin' to go," rumbled the steam-shovel. "It sure will feel good to get a nice hot slug of coals in my belly again and swing the old bucket at a gob of dirt."

The switch-engine chuckled with a guggle of steam. "You and your little friends and Grandpa Grand-Master Master Tool are all going for a nice ride behind poor decrepit old me with my leaky cylinders and all. It won't be far, but it'll be long." He hummed: "Where do we go from here, boys, where do we go from here?" through his safety valve, but to the two men who entered the pier at that moment it was only the hiss of escaping steam.

"Yes," said the Construction Engineer to the Piermaster, "it does seem rather a pity to junk all this machinery when it's served me and others so well all over the world on all kinds of jobs. But—that's civilization. If we didn't change our tools for better ones we'd still be digging with that pick and shovel over there, and nothing else. So I'm scrapping the whole lot."

"Right you are," agreed the Piermaster. "You have to do it or lose out. Look at that turret lathe up there. Fellow who's shipping that told me it cost





In the Shipping Box Industry Size is Essential to Service

THE successful packaging of thousands of products for shipment requires a service which can be furnished only by specialists backed by long experience, vast manufacturing facilities and great financial resources. Hinde & Dauch have kept faith and pace with the shipping demands of modern business. Their facilities have expanded with the growth of the industries they serve.

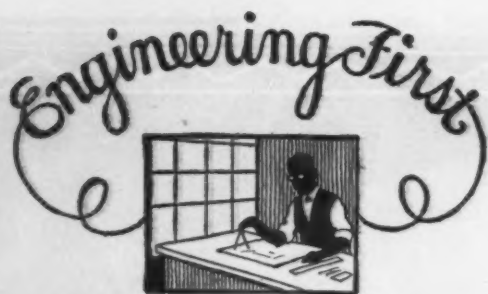
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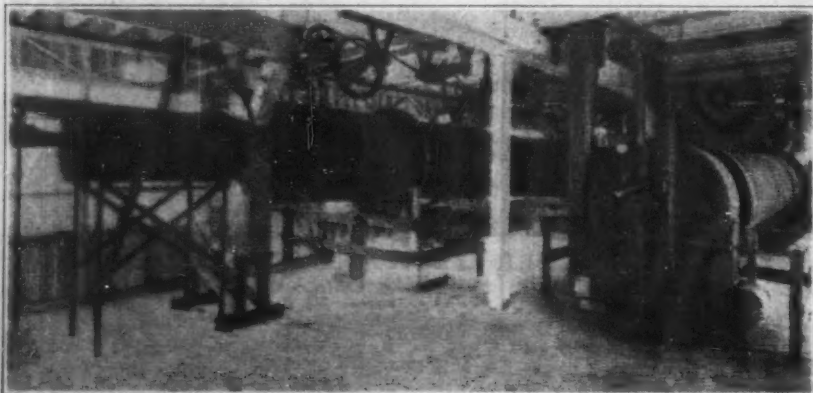
For instance, when faced with the problem of drying an unfamiliar material, Louisville Drying Engi-

neers insist on having samples which are dried in their test dryers of full commercial size. Thus they are able to determine in advance the drying time, cost of operation and quality of the dried material.

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Name.....

him ten thousand dollars ten years ago and it was the latest high-speed tool. Now he's junking it because he's bought a new one for \$12,000 that can do twice the work in the same time. And bigger work, too. He says it doesn't owe him anything, though. And I guess that's true of this stuff of yours."

"You said it," replied the Engineer. "Good tools that did good work and paid their way, making way for better tools. That's the answer. Swing 'em on the car and send 'em to the junk-man."

The Pick and Shovel Last on

"SAY," said the Piermaster, "I'll buy that pick and shovel from you if you like. I can use 'em in my garden."

"Take 'em," said the Engineer. "They're not much good nowadays even for junk. I'm practically eliminating hand labor from my jobs, hereafter. But gardening is different."

Half an hour later the switch-engine was shunting a flat car loaded with machinery through the railroad yards and as he did his work he sang:

"Life is a series of jolts and jars,
Thumping on switches and bumping on cars,

When you get old and you're losing
your spunk—

Out on the pile with the rest of the
junk!"

Old Wood for Violins

THAT limited output and variety of product command more than academic interest in this age of quantity production and standardization is revealed in the present enterprise of Nicholas Vasich of Seattle.

Commissioned by Mischa Elman to create four instruments for him, this young violin maker has directed his search for woods to European cathedrals. In his quest there is an unmistakable savor of romance.

The specifications require fine woods, "the finest that money can buy." In the very age of some of the great church structures is the promise of a successful quest. For it is well known that woods of centuries' seasoning have a resonance superior to those cut from present growth, no matter what their grain or fiber.

It is not hard to believe that long association of these ancient woods with the joys and sorrows of the race have made them the communicative repositories of human feeling.

But it remains for the bow of the master to give back those lost ecstasies to the world. For achievement of that objective Mr. Vasich is an important intermediary.

His manufacturing methods are conspicuous because he is content to take six months in scouring a continent for materials to make four units of output.

All That's Power Is Not Water

By AARON HARDY ULM

THE officials of an electric-power company expressed indifference recently regarding the development of a large volume of water power near the plant. They said:

"We can produce electricity as cheaply from coal as from this water power."

Many persons laughed cynically, but there is evidence to support the power company's assertion.

"The advancement of the art, the increasing improvements in boiler and turbine efficiencies, the possible development of the mercury turbine—all tend to make the thermal plant a producer of energy at as low cost as at any except the most favorably located hydro-electric plants," said William E. Mitchell of the Alabama Power Company and Professor John Gallalee of the University of Alabama in a paper read at the World Power Conference at Basel, Switzerland, in 1926.

More Efficient

SINCE then at least one mercury turbine has been put into use, and the art has advanced otherwise far ahead of expectations, as it has been doing for half a century.

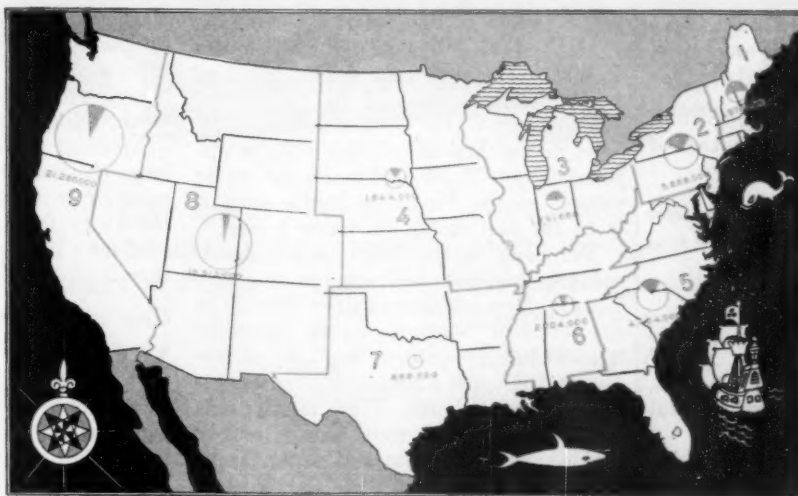
Mankind has been deriving power from falling water since civilization began, and never more eagerly than now when energy may be conveyed hundreds of miles from a place of production. But appearances are often illusory. Not long ago a famous American industrialist who talks much about water power—and burns coal—obtained a report on the horsepower value of all the water that falls on these United States. The statements of fact had to be qualified, however, until the report was worthless even as an excursion into fantasy.

Yet the report was not much more conjectural than officially published sta-



EVERY STATE in the Union except Louisiana and Florida has water power resources. Each red dot on the map above represents 50,000 potential horsepower. How much of this potential water power is it feasible to develop?

The areas of the circles on the map below are proportional to the total water power resources in the sections in which they are placed. The reddened segments indicate the percentage of power actually in use. Will the kilowatt of the future come from falling water or coal?



MAP DATA COURTESY FEDERAL POWER COMMISSION

tistics on "harnessable" water power and its "potential" availability. The United States Geological Survey recently announced the primary water power resources of the world as 487,000,000 horsepower—enough practically to meet all present power needs. By storage, these "resources" might be trebled and made to furnish mechanical power of all sorts far beyond world needs for many decades. What shatters the dream is that only 33,000,000 horsepower, or less than 7 per cent, has been developed and is in use.

Is the remaining 454,000,000 of primary power alone that is flowing down

to the seas, unharnessed and unused, a waste due to neglect? A common assumption is that such is the case—or almost so. But those who thus assume do not take into account that the employment of all this water power now—or even in the far future—would call for complete transformation of the world, including a redistribution of mankind.

Power in Africa

THE world's great Pittsburghs and Ruhrs and Birminghams would stand by the gloomy Congo in the region described by Joseph Conrad as "The Heart of Darkness."

For approximately two-fifths of the world's water power resources are in Central Africa, and the remainder are scattered rather promiscuously over the rest of the earth. The second largest continental portion is in North America, where there is 83,000,000 horsepower of the primary sort. The biggest share of this—46,721,000 horsepower, according to the latest official estimate—is in the United States. Here we find large-scale evidences of "neglect"; for, though we have more developed water power than the people

of any other land, we are using slightly less than 12,000,000 horsepower, or only about 25 per cent of all that is harnessable without storage. Falling water now supplies only about 15 per cent of the energy consumed through the country's stationary mechanisms. Theoretically it could supply practically all.

"The first 'crime of neglect' as to water power in what is now the United States," says a philosophical student of the subject, "was committed by the Pilgrim Fathers. Instead of sailing into Plymouth Bay, they should have rounded the continent and settled in the West,



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where about 75 per cent of our water power resources, and but little coal, is located."

Those resources of the West are not so remote from the industrial East as they used to be. The center of electric power production has moved westward to a point about 75 miles southwest of Chicago, and high tension transmission of electrical energy has brought western water power eastward.

But the largest portion of the country's water power resources still is remote from the centers of greatest need for power. The industrial East could derive from falling water, by full employment of available facilities, less than half of the power now produced by its stationary equipment alone.

Future of Hydro-power

IN THE northeastern section of the United States only about 20 per cent of the power used at present is derived from water," says a report of the Pennsylvania Commission on Giant Power. "This percentage is never likely to rise above 25, and as the total volume of power increases the portion derived from water will become less and less."

Pennsylvania, largest consumer among the states, derives only 11 per cent of its power from falling water; and authorities say this percentage is more likely to decline than increase as the volume of consumption grows.

In the production of electrical energy by public utility companies for the entire country the ratio between fuel and water power is approximately 65 to 35. Fuel has been gaining on the whole despite the extraordinary development of water power occasioned by passage of the Federal Water Power Act in 1920. East of the Mississippi the ratio is approximately 70 for fuel to 30 for water power; in the Mountain-Pacific area it is 15 for fuel to 85 for water power.

Yet even in the West recent developments are not so favorable to water power. New installations for 1924-27 in the eleven western states represent 941,000 kilovolt-ampere capacity in hydro and 385,000 kilovolt-ampere capacity in steam plants. New installations completed in 1926 were almost evenly divided between steam and water power facilities.

The controlling factor is costs, a factor so variable that it is not subject to clear-cut definition. It varies with natural and economic conditions, and particularly with changes in the art of producing and distributing electrical energy.

A. H. Markwart, an expert, estimates the capital cost of hydro-electric plants to be \$150 to \$450 a kilowatt of installed capacity, and that of steam plants as \$85 to \$125 a kilowatt.

"A low load factor and cheap fuel suggests steam plant development," says he, "whereas a high load factor and expensive fuel make hydro development attractive."

The producing unit cost of hydro plants necessarily increases as the best

sites are developed; that of steam plants may tend downward with lowering of the manufacturing cost of machinery.

In the average case, however, the plant installation is not the preponderant item of cost; that of transmission and distribution is larger. This, together with the capital investment relationship between thermal and hydro plants, is illustrated by the distribution of expenditures for new facilities by public utility companies in 1926, as follows:

For steam plants	\$174,400,000
For hydro plants	104,650,000

All production facilities	\$279,050,000
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For transmission systems.	\$157,550,000
For distribution systems..	247,000,000

All delivery facilities..	\$404,550,000
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Locations offering power outlets can be selected, of course, much more easily for steam than for hydro plants. Thus the average steam plant has an advantage in transmission facilities cost.

The steam plant, however, is not entirely free from natural conditions. Adjacency of fuel is desirable though not absolutely necessary, and usually a large volume of water is required.

"With conditions frequently encountered in American practice," says an authority, "as much as 400 tons of water are required for each ton of coal burned. Such relative weights suggest why coal is carried to the water. To develop 100,000 horsepower requires a flow of, say, 250 cubic feet per second. So a stream as large as the Schuylkill River in mid-summer must pour through the steam condensers."

Artificial cooling is employed at some large thermal plants abroad. One plant using that method supplies Berlin with electricity for lighting; another is operated near Birmingham, in England. Neither is upon a large stream.

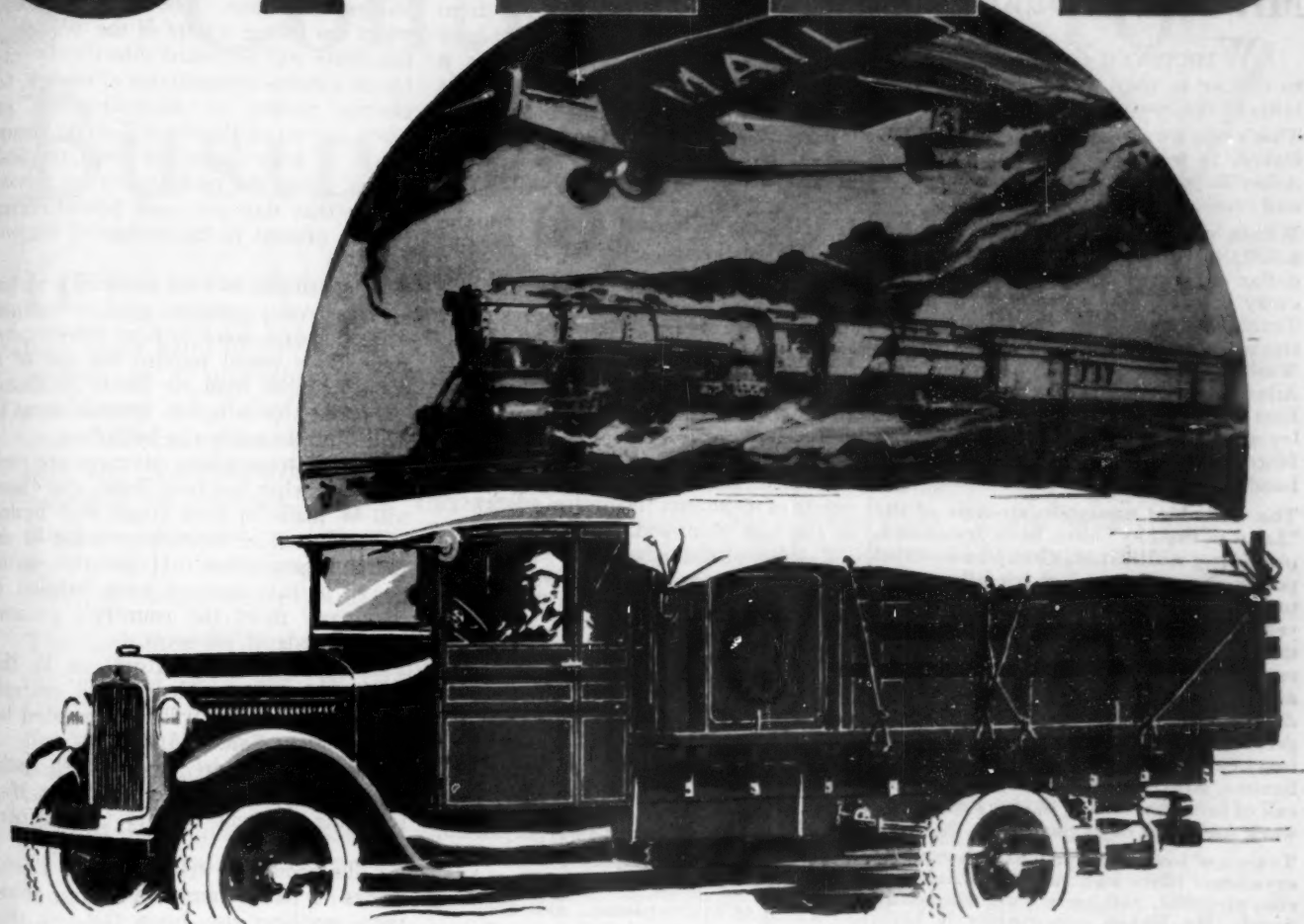
Cost in Thermal Plants Decreasing

WHILE the costs margin between hydro and thermal plants is narrowing favorably to fuel, and no doubt will continue to do so, there is no question about continuing development of water power for generating electrical energy. The debatable question is one only of proportion, of quite intricate comparative values.

Water power facilities set up or taken over by public utility companies since 1919 now produce approximately 12,000,000,000 kilowatt-hours of electricity a year. It would require about 10,000,000 tons of coal to produce that energy in the steam plants of the country, though the best ones could do it with much less. This saving of fuel by the use of energy that otherwise would be wasted is the conservation factor in the problem.

While that economy is being achieved, a larger one was attained by improvement in the production of electricity

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President

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from fuel. In the early days of electric power it took nine to ten pounds of coal to produce a kilowatt-hour of electrical energy. The average in the best plants in 1903, after the turbine came into use, was 2.64 pounds. Now it is practicable to produce a kilowatt-hour of electricity from three-fourths of a pound of coal. Actual average consumption fell from 3.2 to 1.95 pounds per kilowatt-hour during the period of 1919-26. This is one reason why electrical energy is one major product that is being sold at less than pre-war prices.

Still 62 Per Cent Inefficient

THIS saving in coal results from increased thermal efficiency of the turbine-generator. In 1903 the maximum was 14.5 per cent of the theoretically possible. In 1927 it was 38 per cent, which, though higher than physicists of the Tyndall-Huxley period thought ever would be attained, leaves a lot of leeway for further gains.

Mechanisms for turning falling water into electricity are now within a few points of maximum theoretical efficiency; at the best equipped hydro plants they get electrical energy equal to 90 per cent or more of the power in the water which passes through the turbines. This means that virtually all future gains in production efficiency will be favorable to fuel.

Advances in both spheres has caused mere production cost to become almost negligible in the retailing equation of the electric-power problem. These costs vary from less than two mills to more than a cent per kilowatt-hour, depending largely on size of the plant, but varying with other factors, and averaging least as a rule at hydro plants. But they are so low in practically all cases that it costs the electric-power industry more to read a meter and make out a bill than to produce the electricity consumed in a month in the average American home.

Service cost is the big item and the mechanics of this are inherently the same for both thermal and steam production.

When Thomas A. Edison installed on Pearl Street, New York, forty-five years ago, the first generating plant set up in this country, transmission reached only nearby buildings in the block. In 1903 transmission of current was limited to a maximum of 10,000 volts and a reach of 40 to 50 miles of the central station. Since 1923 there have been in operation high tension transmissions lines of 220,000-volts capacities, giving central stations direct reaches of more than 300 miles with losses of less than 10 per cent.

Some authorities say that with interconnection of plants this suffices for all practicable need, since it would now be feasible for electrical energy to be delivered in practically every community in the country.

It has been demonstrated, however, that electrical energy can be transmitted

under pressures of a million-volts or more and over thousand-mile distances. In a laboratory devoted to pure science a stepped-up current of 5,000,000-volts intensity has been achieved.

Further progress in economic transmission will work no doubt favorably to falling water as past transmission advances have done. The day may come when the falling waters of the Washington State will be linked directly, by cable or wireless transmission of energy, to electric motors in Massachusetts, or when industrial Europe will draw cheap power in huge quantities from tropical Africa. But the problems to be solved before that day put such potentialities for the present in the realms of conjecture.

For example, to send electricity under a million-volts pressure over a distance of a thousand miles without ruinous corona losses would require the use of a cable of more than six inches in diameter. But this is not so formidable as it looks, for the cable can be hollow.

Further, tremendous advances are suggested by what has been done, and these will be made in both steam and hydro power, but chief dependence must be on thermal generation. If all the water power in this country were utilized it could not meet the country's present power needs of all sorts.

"Probably in the future, as in the past, at least two-thirds of all central-station power used will be generated by steam," says Samuel Insull.

Lord Rothermere, the British publisher, writing in his London *Daily Mail* following a recent visit to this country said:

"The economic welfare of the United States is based more on cheap power than anything else, upon the fact that she has 29,000,000 horsepower of electricity established in her factories—a force estimated as the equivalent of 290,000,000 men. The explanation of their prosperity can be almost entirely expressed in two words—Cheap Power."

How cheap?

Cheaper Than Cigarettes

THE total electric bill for the country for all purposes is less than that for candy and tobacco, and the cigarette bill alone is more than 50 per cent of the cost of electrical service in all the homes of this country," says D. C. Geer, vice-president and general manager of the Utah Power and Light Company.

Yet 12,000,000 American homes still are without electricity even for lighting. On only about 700,000 of the 6,000,000 farms of the country is generated electricity used for any purpose, and on only about one-half of those is energy procured from central stations.

"The power requirements of the United States as they exist today are only a little more than half supplied electrically," says Samuel Insull.

"But as to electric-power," says another authority, "what the country needs most is a sound sense of proportion!"

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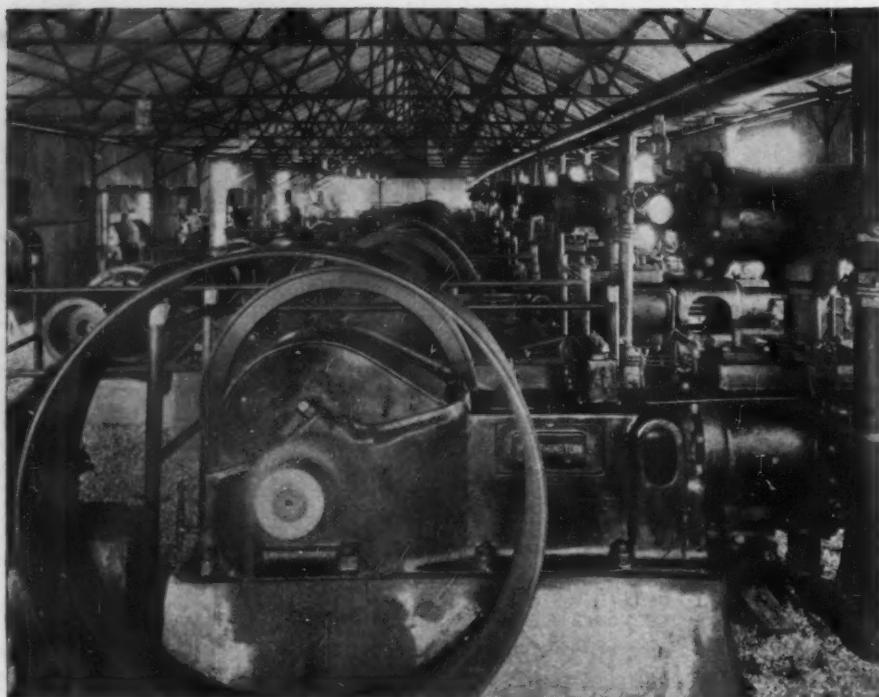
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Golf is the simplest looking game in the world when you decide to take it up and the toughest looking after you have been at it ten or twelve years.

It is probably the only known game a man can play as long as a quarter of a century and then discover that it was too deep for him in the first place.

The game is played on carefully selected grass with little white balls and as many clubs as the player can afford. These balls cost from 75 cents to \$25.00 and it is possible to support a family of ten (all adults) for five months on the money represented by the balls lost by some golfers in a single afternoon.

A golf course has eighteen holes, seventeen of which are unnecessary and put in to make the game harder. A



"hole" is a tin cup in the center of a "green." A "green" is a small parcel of grass costing about \$1.98 a blade and usually located between a brook and a couple of apple trees or a lot of "unfinished excavation."

The idea is to get the golf ball from a given point into each of the eighteen cups in the fewest strokes and the greatest number of words.

The ball must not be thrown, pushed or carried. It must be propelled by about \$200 worth of curious looking implements, especially designed to provoke the owner.

Each implement has a specific purpose and ultimately some golfers get to know what that purpose is. They are the exceptions.

After each hole has been completed the golfer counts his strokes. Then he subtracts six and says "Made that in five. That's one above par. Shall we play for fifty cents on the next hole, Ed?"

After the final, or eighteenth hole, the golfer adds up his score and stops when he has reached eighty-seven. He then has a swim, sings "Sweet Adeline" with six or eight other golfers and calls it the end of a perfect day.

Odd Ways of Earning Daily Bread

By UTHAI V. WILCOX

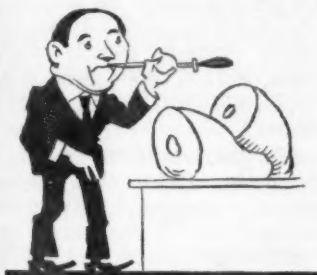
WILLIAM M. STEUART, Director of the Bureau of the Census, U. S. Department of Commerce, announces that there are some 572 occupations listed by his bureau. He further states that "we have no information as to just how many occupations are pursued in the United States."

That there are a large number of strange and even unusual occupations pursued for a living, he admits.

Tea Tasters and Ham Smellers

THERE are tasters of tea and samplers of coffee, and there is a smeller of hams. This individual is found in wholesale grocery establishments and in large packing houses. He stabs every cured ham with a pick which he then passes under his nose and is able to state positively and quickly whether that particular ham has soured around the bone in the process of curing. Quantity production of hams has made this occupation necessary.

There are toy manufacturers not listed. There are the home conceived oddities such as over-stuffed doll furniture made by an Ohio man who was able to sell enough to make a comfortable living. A South Carolina man uses dried apples



to make caricatures of the mountain folks and others. He sells his dried-apple dolls to tourists.

And then there is "Cinder Ella," the old crone who haunts Wall Street, or did until a short time ago. Her name tells her profession. She picks the cinders out of the eyes of the curb brokers and receives therefor whatever they may give her.

Appraiser Who Keeps a Secret

AS WITH "Cinder Ella," most of the strange occupations in the world are the result of the modern civilization and its demands. Because men, and probably women, mostly, like pearls, there has come to be the pearl expert. There is one man in New York who qualifies for the head of his one-man business. His equipment is a square of black velvet and a microscope, and the ability to keep his specialized knowledge secret.

This man is retained on a yearly salary by the great gem houses of the city, who employ him not only to appraise the pearls that they buy but the pearls owned by estates that are occasionally broke up. One reason why this one-man business is a success is that he can be trusted to keep a secret—not to tell if some supposedly wealthy person has "pearls" of fish scale.

If you go down in the Chinese quarter of a western city to get your toothpicks you may be able to get the kind that you can chew up but not down. If you succeed in finding this variety, it is because of the regular trips to Bering Straits by a Seattle man who buys walrus mustaches. These are considered very choice by the Orientals and the politest of toothpicks.

A Pair of Human Statues

HOW would you like to pose for a living? Not as an artist's model, but for those who go window-shopping along the avenue. There is a man and his wife who find such a profession very lucrative, say the investigators of the government. They engage themselves to the manager of a large department store. Their arrangement is to stand in the window for four or five hours at a stretch wearing suitable clothes. Thus they will stand with evening dress and attired as if they were going to the opera, he holding her beautiful cloak.

This man and his wife have a little girl who sometimes, after school hours, poses with them. Father and mother dressed ready to step out in fine clothes, she will look at them in rapt admiration that speaks volumes.

So well practiced is this family that the parents are able to hold a position for four hours without moving and scarcely winking, and the girl for a shorter period.

Nature isn't perfect by any means, so there is a chance for the man who has learned how to teach canary birds to sing! There is a big German, recently discovered, in one of the eastern cities who will take a poor and indifferent canary bird and teach it to trill and warble. "How do you teach a canary bird to sing?" the curious census man asked. The old fellow smiled rather slyly—there were a few secrets to the business. When he was pressed more insistently he admitted: "A cricket is sometimes an excellent teacher, though his instruction periods are a bit uncertain. On the whole, though, other birds with good songs are the best teachers." However, besides crickets and other birds, he uses running water and a harmonica.

Near Boston there is a guinea-pig

farm. There are three thousand or more of the lively little fellows. Some are short haired and some are long, some dark and some light. The dark ones go to pet stores and the light ones and short haired go to medical institutions, where, because their blood is very sim-



ilar to that of humans, they are used for medical tests.

The "farm" is as similar to a hotel as a place where animals live could be. It is heated and ventilated and lighted, and there is a specially selected menu and servants of all kinds. It takes a great deal of careful attention to the rules of health to keep these little woolly bodies well.

Commercial Angle-Worms

WHILE guinea-pigs or caviae are more easily understood, yet a young man of Pennsylvania has come to understand the humble angle-worm so that he can gather them and use them for commerce. He started it as a necessity in working his way through college and has followed it as an occupation after graduation. In the early morning or at night, using a lantern, they are taken from their holes very carefully. "Hell benders," a sort of water-lizard, are also gathered.

The humble angle-worm contributes to scientific knowledge and is used by biological laboratories and medical schools.

Snake Market Is Good

THERE is scarcely an end to the odd occupations. As some are willing to handle angle-worms and hell benders, there are snake farms, snail gathering days and frog markets. The snakes—ten thousand of them—are grown in Texas and sold to zoos and to dealers in all parts of the world. The venom is sold to scientific institutions, and even the skin is marketed. The handling of the rattlesnakes, according to the owner of this farm, is simple, since most of the work is done by machinery.

These are but a few of the occupations that have arisen from our modern life. The census bureau lists fifty, but says that there are approximately ten thousand occupations that men and women follow throughout the world.

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When writing to the above Steamship Lines please mention Nation's Business

"Right Up Front, Please"

(Continued from page 36)

bus miles per bus, and the average number of passengers per bus 14,180 more than in 1925.

On the other side of the ledger is the entry that of 135 companies reporting to the American Electric Railway Association in 1926, 54, or 40 per cent, lost on their bus operations before making allowance for interest, retirement funds, and taxes. Eighty-six of the companies, or 63 per cent, were in the red on their bus operations after allowing for their reserves and taxes, but before meeting their fixed charges.

These figures direct a more intensive search for economies in the use of buses rather than any rejection of their demonstrated usefulness. The fact is that the bus is still somewhat of a transportation novelty.

Better Outlook for Cars

FAITH in the future of the street car is attested in the rebuilding of 700 miles of track last year and the extension of city lines amounting to 150 miles. It is worth noting that the rebuilding and extension of city and interurban lines in 1927 was 60 per cent above the average for the last ten years. One estimate based on nation-wide reports indicates that the electric railway companies will spend \$246,142,000 in 1928 for new plant and equipment and maintenance materials. If that total is attained, it will be about 9 per cent above the amount similarly expended in 1927. Items in this impressive estimate include way and structures, \$131,374,000; cars, \$72,783,000; buses, \$25,458,000; and power, \$16,527,000.

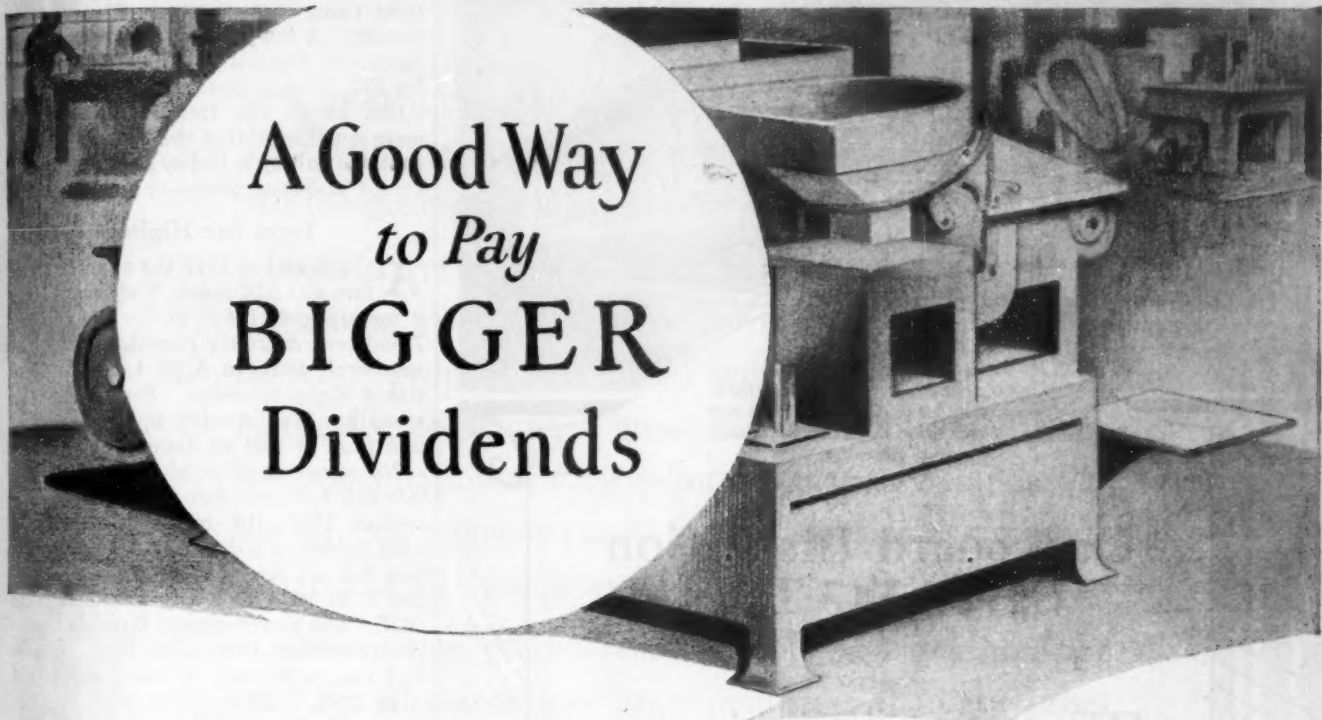
Plain as the headlights on an "owl" car is another factor that has raised problems of management. Everyone sees the one-man car in operation, but its place in the transportation scheme is not so readily apparent. On April 1, 1927, 202 companies in this country were operating one-man cars exclusively. They owned 8,743 cars. At the same time, 266 other companies using all types of cars had 12,608 one-man cars in operation. With the total number of all types estimated at about 77,000, the one-man cars account for about 27 per cent.

Lighter Cars for Suburbs

IN FAIRLY general use since 1916, these units commend themselves for operation in outlying sections. Where there is no divided responsibility, more expeditious transportation is a reasonable expectation. Lighter cars are possible, with consequent ease in starting and stopping, and the so-called "dead man" control preserves the safety factor should the operator be incapacitated for any cause.

As a general rule, it may be said that density of population affects the size of

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ALMOST every manufacturer has some spot where production is weak, where some operation is slow, not delivering satisfactory results, where semi-automatic or hand labor is expensive and inefficient. Perhaps you already know of such a condition in your plant and are trying to remedy it. Perhaps you are like many other manufacturers who do not fully realize the opportunities for more economical production through the use of special automatic machinery. In either case, Special Production Machines, Inc., can help you.

Special Production Machines, Inc., whose business is the designing and building of special automatic machinery for quantity production, has served manufacturers in widely different production manufacturing fields. One manufacturer before using our service had spent thousands of dollars in an attempt to develop a machine to meet a production problem peculiar to his own business. Through the help and co-operation of

Special Production Machines, Inc., he was able to bring his research to a successful conclusion. Others have come to us with definite problems which have long hindered speedy and economical production. Still others have come to us with an open mind, asking us to find some operation that could be improved.

Through our experience in developing automatic machinery for individual production problems, we know that any production operation now performed by hand labor or by semi-automatic machinery can in all probability be more efficiently and more economically

accomplished by automatic machinery, especially designed for the purpose by Special Production Machines, Inc. A booklet describing the services of Special Production Machines,

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For over thirty-five years Pneumatic Scale Corporation, Limited, has manufactured automatic labor-saving machinery for many of the world's largest producers of merchandise.



17,000 square feet of Armstrong's Corkboard, 2 inches thick, were applied over the old roofing on the Eastman Theater Building, Rochester, N. Y.

Corkboard Insulation Saved 343 Tons of Coal

THE first winter after its roof was insulated with Armstrong's Corkboard, the Eastman Theater Building, Rochester, N. Y. was heated *more comfortably* on 343 tons of coal less than the previous winter, despite the fact that the average daily outdoor temperature was 2.5 degrees lower.

At \$5.25 a ton, this amounted to \$1,800.75—a saving of more than one-third of the cost of the corkboard insulation in one year.

The facts about the Eastman Theater Building installation have been collected by the A. C. Nielsen Company, a firm of investigating engineers, and certified by the superintendent of the Eastman Building. A copy of their report will be sent to you, free of charge, on request. Address Armstrong Cork & Insulation Company, 195 Twenty-fourth Street, Pittsburgh, Pa.; McGill Bldg., Montreal, Que.; 11 Brant Street, Toronto, Ontario, 2.

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for the Roofs of All Kinds of Buildings

cars more than anything else. It takes a big car, able to carry one hundred or more persons, or an articulated train capable of carrying 250 passengers to handle heavy city traffic.

In any rehabilitation of street railways, the question of increasing fares to meet rising costs is persistent and perplexing. A ten-year record kept by the American Electric Railway Association for 272 cities of more than 25,000 population shows the trend. That record gives small hope that the nickel will long continue to buy a trolley ride anywhere, except in 5-cent zones—or limited rides.

Fares Are Higher

AT THE end of 1917 the average cash fare was 5.07 cents. Two years later it was up to 6.24, and at the end of 1920 7 had been definitely passed. From November 1, 1921, to April 1, 1923, there was a slight recession. Since 1923 the trend has been steadily upward, with a new peak at 8.01 on January 1, 1928.

No reporting cities of more than 25,000 had a 10-cent fare in 1917. By the end of 1927, 104 reported that rides were valued at a dime each. The 9-cent fare has set no great fashion—one city had it in 1919, and only two had it in 1927. The 8-cent charge fared better—twelve cities in 1918, 39 in 1927. Lucky as 7 may seem, only 33 cities supported it in 1918. The total in 1927 was 55. At the beginning of the period, 25 cities reported a 6-cent fare. At its end, 33 were riding for that amount.

Two hundred and sixteen cities of various population in the United States now have the 10-cent cash fare. Some of them have a reduced rate for "quantity" riders.

The new accent on economy of operations is convincingly expressed in the reclamation of old equipment, in the annual painting of cars, in scientific lubrication, in using motor trucks for road repair of buses, in using lighter cars to save wear and tear on tracks, in using line trucks instead of cars for overhead maintenance.

Efficiency in Shops

NOTABLE among the advances in shop practices are the contributions of the Pittsburgh street railways. There is a suggestion of Ford operations in that company's effective straight-line repair system, established in 1923. Each piece is put on a work line and is advanced along the line from operation to operation. Each repair is made by mechanics who have been specially trained for their part of the work.

Operations which have been placed on a straight-line basis are the car truck assembly, the motor assembly, the motor winding, wheel maintenance, body maintenance, and the painting of cars. By reason of the straight-line methods it has been possible to centralize at one point the shop operations formerly distributed over six locations. On the accounting side, the company has been able to reduce the personnel require-

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DURABILITY is the chief requirement of an industrial paint, because the present high cost of labor requires that the greatest value be received for every paint dollar.

DURABILITY is a well defined characteristic of paints containing *substantial proportions of zinc pigments*,* properly combined with the correct vehicle. Naturally, therefore, a great many executives, on the recommendation of their paint foremen, are standardizing on zinc pigment paints for the exterior and interior surfaces of all their properties.

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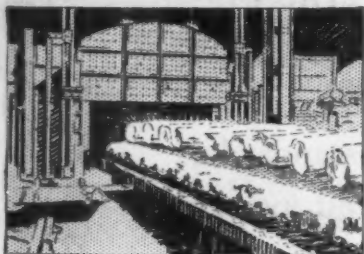
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No job too great for Gas!



TWENTY tons of white hot steel are being rolled out of this huge GAS FURNACE on a steel flat car, which forms the hearth.

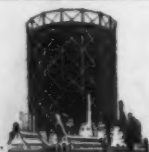
The large pieces of steel on the car are locomotive axles which have been through an annealing process in this gas-fired furnace, an operation that precludes all likelihood of axles breaking.

Industrial gas maintains in this furnace a temperature of 1600 degrees Fahrenheit.

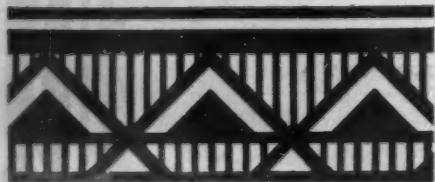
Gas is the most "Flexible" of all fuels. It can be used in a jeweler's tiny torch, or for huge operations, such as pictured above. It is also "Flexible" in the sense that its volume and intensity can be raised or lowered, instantly, at the turn of a valve. It gives a concentrated heat wherever needed without involving bulk, waste energy or waste material.

Gas is obviously the Industrial Fuel of the day. Write to your gas company for facts concerning the use of gas in YOUR industry, or to

American Gas Association
420 Lexington Avenue, New York City



You Can Do It Better with Gas



When writing please mention Nation's Business

ments by 46 per cent in four years and the pay roll by 45 per cent with a concurrent decrease in maintenance costs of 53 per cent. Despite the decrease in the number of mechanics, the new methods enable the company to put as many cars through the shops as was possible under the old arrangement.

Another profitable consequence was an increase of 75 per cent in the car painting with a slight decrease in the number of painters. Many more trucks can now be overhauled. Working time has been cut from nine hours to eight hours with no slowing down of output. The fact that the number of cars awaiting repair has declined from a daily average of 180 in 1923 to 140 at present suggests that the quality of the work has not suffered in the new layout.

Now It Runs on the Level

ECONOMY of this sort is promoting more efficient and more dependable service. Gone are the days that once gave pungent point to the uncertainty of service—when a passenger could ask, "On the level now, will this car run?" and be answered in kind with, "Not so good on the level, but, man, you should see her coast down hill!" Well, the managements are not relying now on wise cracks or sob stuff to make their case with inquiring citizens.

To the credit of the present managements, it must be said that the local markets for transportation are being studied carefully to make investment profitable. They have learned that a more intelligent hand picking of routes is necessary. Just shaking the traffic tree and expecting to catch the business hit or miss don't do, and few managements are trying it.

Complacency has been the consuming curse of many industries. Perhaps the street railway business needed to be jostled into progress. If it did, the World War provided the stimulating shock. That tremendous cataclysm created a new spirit. It had been so easy to talk of the necessity of electric railway service and then lapse into comfortable lethargy. This industry, for one, learned that no business is essential when some other business may serve a public need better.

Novelty of Bus Is Gone

IT WAS not so many years ago that the public shopped around for its rides. The street car had to compete with the novelty of the bus. Even at a lower rate, the street car might be turned down for a newer experience at a higher cost. Evidence that this choice is still exercised is not hard to find, yet it is equally true that in most cities the selection of transportation is now a matter of expediency rather than whim or prejudice.

Modern transportation systems, like modern department stores, try to serve all needs, try to hold their patrons against the blandishments of competitors by providing a complete transportation

13 Million Consumers 4 Great Trunk Lines

No Wonder Spartanburg
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SPARTANBURG, S. C. is the only city between Richmond and Atlanta having two trunk lines to the Mid-West, two to the Atlantic Seaboard. The trading area of which Spartanburg is the Hub includes six States, with population over 13,000,000. Thus you get an idea of the market and transportation facilities your plant or branch would have in Spartanburg.

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LABOR: White, All-American, Intelligent. Used to longer hours and productive work. Labor unrest unknown and labor turnover almost negligible.

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TAXES: "No taxation tricks." Taxation basis very favorable to successful industrial operation.

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Write for survey applying to your own product. You will be surprised to learn how much more economically it may be manufactured here. Your investigation costs you nothing.

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service. There is a parlor car trade. There is a day coach trade. Both can be won by intelligent effort. The automobile has developed a national riding habit. Our population is continually increasing. In that fact is the street car's tremendous opportunity.

An examination of fare and franchise agreements discloses some of the archaic restrictions and inhibitions under which street railways are operating. The electric railway is the only public utility that has failed to ask compensation for extensions of service into new territory. Telephone, electric light, gas, and water companies are at no loss to demand a profitable return for new service in sparsely settled areas. Why should the electric railway business be the backward exception? The fact is that our legal machinery has not been geared to the progress of business. Some properties are still burdened with franchises that should have gone the way of the horse car.

Let's Pass Another Law

CONSIDER the case of the Philadelphia Rapid Transit Company. In order to get permission to extend its lines, this company found it necessary to form a new company for the operation of horse cars. No provision for electric railways was made in the state law. Then the Philadelphia Rapid Transit Company leased the "property" of the new company to operate electric cars.

Confiscatory in effect are franchises that impose a fixed level of property maintenance with a fare that never allows amortization. It is reasonable to assume that the public is interested in the quality of its service rather than in the price. Of course, the traffic moved by the automobile is not to be won back by more equitable franchises. But the point is that the franchises must be flexible sufficiently to allow for new conditions.

Only by such allowance can even good management hope to maintain a high standard of service and make possible necessary financing at a reasonable cost. There is hope for general progress in the wide acceptance of the indeterminate franchise, as in the Minnesota law which provides for rate regulation by a state commission.

The evidence is that the electric railway industry recognizes the public interest in its business, and is taking the public into its confidence. There is no convincing reason why street railway service should be taken for granted. It should and can be made news of the most useful sort. For pertinent text, there is that line glorified by the automobile industry, "No yearly models, but continually improved." For here is an industry with its operating staffs and its equipment mobilized for better service. Its financial house is in better order. In its own lingo it is ready to tell the world, "Change here for progress and prosperity."

Because of two outstanding factors, Skinner Engineers can show you (probably better than any one else) how to **Save real money on your heating plant**



Skinner Brothers' St. Louis Plant (Eastern Factory at Elizabeth, N. J.)

Combining a 34-year accumulation of heating experiences with proved effectiveness of the Skinner (Baetz Patent) Air Heater, Skinner Engineers are able to give you

"Work-Area" Heating at Lowest Cost.

In practically every instance, whether called in first or after everybody else, they have been able to show where a substantial saving could be made.

Skinner men are not salesmen but Heating Engineers. Originating the Unit Method of heating, they have adapted it to thousands of industrial plants. Each job has presented a different problem; each has added to the heating knowledge of Skinner Engineers. As a result, they have developed the Skinner Air Heater as the ideal source of warmth for the "Work-Area".

The Skinner Air Heater provides a steady, easily controlled supply of warmed air and diffuses it evenly throughout the entire space where your producers are working. It is designed to hold

the heat down—not waste it warming unused space overhead. Special Skinner-designed multi-vane fans draw air into the heater from the floor line, pass it through a nest of steam pipes and discharge it just above the heads of the workers. As the air which is pulled away from the floor level must be replaced, the warm blanket of air above is drawn right down into the "Work-Area". Each employee is comfortably warm—none chilled—none overheated.

Suppose you just roughly sum up the savings

that have come to innumerable industrial firms through Skinner service—the advantage of Skinner engineering, saving perhaps thousands of dollars on heating equipment—the saving in fuel bills which Skinner Engineers achieve by the scientific arrangement of the heating units—the increased productivity of your employees because of the more comfortable working condition. Then call in Skinner Engineers and let them prove that they can bring you similar savings.



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What the World of Finance Talks Of

By MERRYLE STANLEY RUKEYSER

IN THE newer paternalism, which some of the political scientists have been advocating in the present Congress, the national constituency would be sheltered from the pitfalls of security speculation.

The recent rise of Wall Street brokers' loans to an unprecedented height was the point of departure for the legislative reformers who are out to prevent the lambs from being sheared.

Perhaps ultimately they will set up in the capital an all-knowing bureau which will be able to inform the electorate which stocks are good "buys" at prevailing levels and which are inflated. In the process, the greed and gullibility of the amateur trader may be legislated out of existence.

Senator Brookhart, of Iowa, would usher in the millennium of financial stability by establishing a permanent 3 per cent rate for the Federal Reserve System. Another suggestion was that the Federal Reserve authorities should restrict brokers' loans, and still another adjuster would limit the amount which member banks could lend in Wall Street.

Apart from the technical banking criticisms of these proposals, they are objectionable because they would radically interfere with the constitutional right of the citizen to lose his money if he so desires.

An unvarying Federal Reserve Bank rate would deprive the central banking authorities of their main weapon for influencing the money market.

As for restriction of brokers' loans by the Federal Reserve System, the difficulties of carrying out this proposal must be apparent to anyone familiar with the terms of the Federal Reserve Act. Back in 1913 when the law was passed, an earlier Congress wanted to discriminate against speculation and to favor "legitimate" business, and it reflected its views by rendering all types of stocks and bonds (excepting United States government issue) illegal as collateral for paper which was available for rediscount at the Federal Reserve Banks.

At present, it is impossible to tap Federal Reserve credit with Atchison Gen-

eral 4s, Canadian government bonds, and obligations of New York City or Chicago.

But, in spite of these restrictions, the stock market in recent months has been absorbing great quantities of credit which the student in pre-war years would

ing appraisal of a situation is scarcely justified by precedent.

The congressional reformers, impressed with symptoms, have been oblivious of underlying causes. Brokerage loans have been high for two reasons.

In the first place, the volume of dealings in stocks has been extraordinarily large—not simply because the speculative impulse has been stronger, but principally because with the expanding wealth of the country more capital has been saved for investment.

To an increasing extent, investors have been turning to common stocks. The optimistic buy beyond their immediate resources in the expectation that they will retire debt balances out of future savings.

Speculators have mixed motives, and the pure speculators, who buy on margin only in the hope of quick, profitable resales, have been very active. Possibly they have pumped some inflation into the stock market.

A second major factor in the brokerage loan situation is the fact that security dealers, as a result of New York's unprecedented leadership in the bringing out of new issues, have had to increase their borrowings in order to carry their larger portfolios.

In this second function, brokers' loans are distinctly an adjunct of the investment market—not of speculation. It is regrettable that in the published statistics no attempt is made to segregate the figures.

Are brokers' loans too large? At any level, they would be too large if they

deprived the production and distribution of merchandise and of agricultural commodities of essential credit.

They have not done this. As a matter of fact, with America's dominance in gold holdings, the country has for years had a superabundant supply of credit, actual and potential, and, in the face of extraordinary temptations, business has been conservative and has drawn with great caution and restraint on bank credit.

Accordingly, bank credit has flowed to some extent into speculative channels. The modern banker tries at all times to keep the bank funds employed. If the

The Correspondent's Plea

By CHARLES ABEL

IF WE could write the things we feel,
Could make imagination real—
If pencil, paper, pen and ink
Had but the gift to make us think,
We'd shed our studied attitudes,
Inane remarks and platitudes,
And write our missives just as though
They went to people whom we know.

We'd scorn such terms as "even date"
And "in reply we beg to state;"
"Regarding" would not be "in re,"
Our meanings would be plain as day.
"Yours truly" we would not "remain,"
From stilted phrases we'd refrain—
How vivid would our letters be
In simple phraseology!

No "15th inst." or "30th ult."
Our readers' senses would insult;
From florid bombast like "esteemed"
Our sentences would be redeemed.
In homely words and simple style
We'd write each letter with a smile—
Oh! What a difference—goodness knows,
If we could write plain English prose!

have considered preposterously high.

Under the present system, the great reservoirs of credit for brokers are the member banks, who have largely stood on their own resources in the last five years because of the huge gold imports which reduced the need of leaning on the Federal Reserve System.

The proposal that member banks be limited in the amount that they can lend in Wall Street is ingenious. If Congress fixed a definite figure that was just in 1928, it might be far too low in 1932 in this rapidly growing country. The assumption that political judgment would be sounder than individual fluid bank-



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LOWER costs, greater productive efficiency—these are reasons for locating your factory away from congested centers of population. Widespread power distribution and improved transportation facilities have fitted the small towns for industrial purposes.

Where living costs are lower, a lower wage scale is as effective as high wages in the large cities. Where living conditions are pleasant and home-owning within the reach of moderate incomes, workers are conservative, productive, permanent. Where getting to and from work is unhurried and uncongested, valuable human energy is conserved.

Land is cheaper, taxes are lower, shipping facilities less crowded, room for expansion plentiful. Fast freight and good roads have put the small towns in close touch with raw materials and markets.

The hundreds of small communities to which ample, economical electric power is provided by the operating subsidiaries of the Middle West Utilities Company and affiliated companies offer a variety of territorial characteristics. A request to *Industrial Development Department, Middle West Utilities Company, 72 West Adams St., Chicago*, will be answered with data and suggestions specifically related to your business.

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appetite of business is slight, the banker looks for other takers. In the last five or six years, the member banks have enormously increased their own investments and have expanded their loans to brokers and security dealers. While business has been boomless, there has been a boom in real estate and in security speculation.

In the sense of having injured the realm of commerce, brokers' loans have not reached too high a level.

A SECOND test is whether the expansion in brokerage loans has so inflated security prices that it injures the value of the collateral behind the brokers' loans. If this had occurred, brokers' loans, which are a secondary reserve for banks, would be unsafe. This question deals with the quality rather than the quantity of brokers' loans.

Generalization in this field would be dangerous and unprofitable. All that can be said with certainty is that the capable bankers are well informed about the loan situation and are in position to pick and choose their collateral.

One conservative Wall Street bank, voluntarily taking the view that a large enough proportion of its loanable funds was in brokers' loans, recently stopped lending in that field. Other banks, less drastic, have radically marked down the collateral value of specialty issues which have plainly been inflated by pool manipulation. Moreover, even the most venturesome bank requires at least a 20 per cent margin of safety on all secured loans to Wall Street brokers.

A THIRD test is whether the apparently inexhaustible supply of credit available to Wall Street has not led to speculative excesses. No candid observer can deny that the long spell of easy money has been a principal stimulant for the stock market.

On the objectionable side, it has made it easy for speculative cliques to boost particular issues which had caught their fancy. There plainly have been evidences of excesses in individual cases, but the financial doctors disagree as to whether the general speculative price level reflects unsound financial judgment.

The market has been highly selective. The shares of some industries, especially oil, textiles, and non-ferrous metals, have been in fact somewhat depressed. Public utility securities until recently were held back by political fears, and in recent months railroad stocks have been laggards on account of an adverse trend in traffic and in earnings. Even among manufacturing shares, the stocks of strong dominant companies have been favored, while others have been ignored. In the rise of 1927, 40 per cent of the shares listed on the New York Stock Exchange showed net declines for the year.

The mere fact that brokers' loans have expanded to a level that attracts political attention is itself barometric. A phase in the financial cycle has been

reached when banking prudence will be at a premium. No cautious banker will fail from now on to scrutinize such loans far more carefully than he did three years ago when the aggregate was much lower. But this delicate problem in banking cannot be solved in the clamor of legislation. The laws are already adequate to meet the situation.

AS OVERLORD of the credit situation, the Federal Reserve System can, of course, indirectly influence all forms of credit extension. The expansion of brokerage loans has been in part a result of the easy-money policy of the Federal Reserve System.

THE Harvard Economic Society has found that in the last seven years a $3\frac{1}{2}$ per cent rediscount rate at New York leads to moderate gold exports, a 4 per cent rate brings some gold imports, and a $4\frac{1}{2}$ per cent rate heavy gold imports. Accordingly, by raising the rediscount rate the Reserve authorities can only temporarily tighten the money market. After a few months, the remedy defeats itself by attracting gold, which further eases the money market.

THE attempt to influence speculation by legislation is an enticing, if futile, pursuit. The wise speculator—and he is rare—discounts or makes allowances for every new element in a situation, including political maneuvers.

The political critic with "hindsight" regrets the easy money which accrued to speculative classes. He fails to allow for the factor of risk. Many lost in order that a few might gain. Risk bearing, of course, is the economic function of the speculator.

WHEN single-taxers from soap boxes refer to the ill-gotten gains of the landlords who grow fat on unearned increment, I long to ask them to suggest some definite locations which are destined to become more valuable through the operation of social forces. Unquestionably, the factor of growth is at work, but the average real estate speculator has a hard time selecting the right corner. Perhaps the single-taxer should be reminded that all vacant lots, subdivisions, or even undeveloped timber and farm lands, have not proved bonanzas.

THE general return to a status of stabilized currencies and a reversion to the gold standard are symbols of the passing of abnormal conditions. The coming of a new normal by no means entails a throwback to 1913 levels; commodity prices, as a matter of fact, are some 50 per cent higher.

The economic doctors disagree as to what will happen to price levels over the next ten years, but they all recognize that new factors of conscious control of economic forces will play a rôle in the next adjustment. Prof. Charles J. Bullock, president of the Harvard Economic Society, at the last meeting of his or-

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ganization in New York, indicated his belief that in the next decade price levels would not decline to the 1913 pre-war level.

THE revamped, readjusted world is characterized by a transference of the balance of economic power to the new world. Reginald M'Kenna, formerly British Chancellor of the Exchequer and now chairman of the powerful Midland Bank, one of London's big three, recently alluded to this fact, saying that the purchasing power of the dollar, rather than the gold situation, plays a key part in determining world price levels and world credit conditions.

How does the United States get this power?

It springs from the country's new creditor position. The Old World owes approximately a billion dollars a year on private and governmental debt service, and up to the present it has not been meeting this balance of payments except out of the proceeds of new loans. As long as this dependence on new loans conditions the outstanding fact of Europe's debtor position, the temper of American bankers and investors will remain the key fact in affecting world prices, gold movements, and credit conditions.

THE Federal Reserve authorities are torn between cosmopolitan and provincial conceptions. The western Reserve banks, particularly the Federal Reserve Bank of Chicago, has been impressed primarily with local considerations, and the Federal Reserve Bank of New York has been especially sensitive to international financial needs.

Benjamin Strong, governor of the Federal Reserve Bank of New York, who is perhaps the outstanding personality now in the Reserve System, carried through his aims beginning last August with the help of the Federal Reserve Board, which approved cuts in the rediscount rates of all the banks from 4 to 3½ per cent.

The international significance of that action was that it placed the American central bank rate a full point below the London rate and staved off further heavy American gold imports. The differential allowed London to draw gold and work itself out of temporary embarrassment, resulting partly from the huge foreign demand deposits of France and other nations, by whose consent London remained on a gold standard.

Evidently less concerned with international considerations, the Chicago regional bank rebelled at the rate reduction policy and cut its own rate only when forced to by the Federal Reserve Board at Washington. The incident was the first in the history of the system in which a regional bank was compelled to make a rate change contrary to the will of its own directors. Senator Carter Glass and others threatened to make an issue of this new show of centralized power, and it is in part significant that

the Reserve Board under the new leadership of Governor R. A. Young, formerly of the Federal Reserve Bank of Minneapolis, recently authorized the Chicago bank to be the first to return to the 4 per cent rate.

SEASONAL factors were largely responsible for the reversal of Federal Reserve policy. In the second half of last year, the Federal Reserve authorities, through rate reductions and through buying half a billion dollars of government bonds, used their influences to ease the money market.

They did this at a time when American agricultural crops were being sold in world markets, and when seasonal requirements for domestic business and foreign exports were large and growing in volume.

After the turn of the year, when business men traditionally pay off their debts and thus release large quantities of credit, the Reserve authorities reversed their policy and began, if not to tighten the money market, at least to take up the slack of released credit.

Before the rate increase was announced, the Reserve banks, through open market operations in the first fortnight of January, had already sold about a quarter of a billion dollars of government securities and were planning additional sales in order to remove funds set free in previous months.

The earlier easy money program had the effect of artificially stimulating speculation in securities. Accordingly, the reversal was interpreted as a warning against speculative excesses.

APART from these temporary short-term operations, there is every reason to believe that the long stretch of easy money enjoyed since 1921 is not yet over.

The tightening must be interpreted as a minor, temporary movement, which may be useful in emphasizing to security speculators that ultimately values must rest on earning power, assets, and future possibilities—and not on the fruits of manipulation, encouraged by a superabundance of credit at bargain levels.

ON THE schedule of 1928 future events: France will in all probability supplant *de facto* currency stabilization with *de jure* stabilization after the national election in May. France will be the last of the first-class powers formally to re-pledge its allegiance to the gold standard.

The withdrawal of the State Department's objection to the financing of French enterprises helps to restore normal relations. Perhaps Senator Carter Glass's recent attack on the policy of censoring loans was a factor in hastening the change of position. In view of France's payments against debt service irrespective of its failure to ratify the Mellon-Berenger agreement, there seemed to be no legitimate reason for

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further interference with normal financial accommodation.

NEW YORK has been described as a city that never had a boom. It is certainly free of conventional boosters and seems to do pretty well in spite of this lack, although one wit has suggested that a sign be erected at the approach to the metropolis reading: "New York—the Wichita of the East."

In New York, the people are oblivious of the atmosphere—and little concerned over the climate.

I have recently been making a survey of economic conditions in deflated Florida. In talking to many Floridians in all walks of life, I found a diversity of opinion on all subjects except the climate. They all emphasized its superb health-giving qualities and hinted that its equable character made for a twelve-month season in agriculture and industry. Southern Californians, too, according to report, have not driven the question of climate entirely into the background of their consciousness, and in their zeal they have communicated their enthusiasm to others.

Unquestionably those two regions, which avoid the rigors of hard winters, are blessed with excellent climatic conditions. They are destined to become the sun gardens—the winter resorts—of the whole nation. That much is generally conceded, but the larger question is whether the industrial north over a long period is likely to lose its industrial supremacy to the south on account of climatic conditions.

It is a nice question for philosophic speculation. In seeking the answer, we should not rely entirely on the opinion of realtors.

Dr. Ellsworth Huntington, of Yale University, has expressed the belief as a result of careful studies that neither the summer nor the winter is the best time for work. He found that around October in the autumn and April in the Spring the human body seems to work with the highest efficiency.

Dr. Donald Laird, practical psychologist, reports: "The fickleness of weather furthers human efficiency. The feminine characteristic of weather—changeableness—appears to increase efficiency. When the temperature is the same from day to day, it has been found that the work one does gradually declines. A study of the way 2,500 people are influenced by the weather has shown that a change in weather, whether for better or worse, favors better work and more work."

OF COURSE, the foregoing has no bearing on the growing tourist business. Irrespective of climate, the winter vacationist from the north is likely to retain sufficient energy to bathe himself in the surf at Palm Beach during February and March.

The winter vacation habit grows, and has important business repercussions, particularly on fashions.

Ninety-four so-called major cruises have been offered this winter, and all but three have been carried out. The capacity for these special oceanic cruises is 25,150, and the computed money value of capacity bookings is \$26,620,000. Sixty to 65 per cent of the passengers are women.

Travel companies estimate that 25,000 Americans will go to Bermuda this season, and upwards of 50,000 to Havana.

Important as these foreign tours are, they are numerically insignificant compared to the temporary domestic migrations. In general, the winter tourists follow their own longitudes southward—those from the east going to Florida, those from the middle west to the gulf ports, and those from the northwest to Southern California. Of course, those with a larger supply of leisure ignore the longitudes, traveling from coast to coast. No accurate statistics concerning the new and growing tourist business have been compiled. In addition to the travel by railroad and steamship, tens of thousands travel in private automobiles and buses.

A NUMBER of planned events and accidents, including the abolition of horse-racing in Miami, have combined to make this a gala tourist season in Havana. The holding of the Pan-American Conference, at which twenty-one nations have been represented in the Cuban capital, has given world-wide publicity to the island republic, in which President Gerardo Machado is seeking, through an elaborate program of putting more government in business, to facilitate the transition from post-war depression.

Among the American colony in Havana, many believe that the governmental program prolongs the adjustment period by delaying the extinguishment of weak business factors, whose prolongation contributes to chronic overproduction. For the third season, President Machado has restricted the island sugar production, this time far more drastically than in the two previous seasons.

Moreover, as a result of Senor Tarafa's recent trip to Europe, Cuba has pledged most competing sugar-growing countries to a policy of cooperation, offsetting the hazard that curtailment in Cuba would lead to larger plantings elsewhere.

Eugenio Molinet, of the Cuban Commission, recently told me that 3,300,000 long tons of sugar will be allocated to American consumers—an amount in excess of last year's voluntary purchases of Cuban raw. Accordingly, Senor Molinet asserted that the American consumer need fear neither a sugar famine nor high prices. The Cuban Commission is opposed to high prices, it was explained, but would like to see quotations rise to approximately $3\frac{1}{4}$ to $3\frac{1}{2}$ cents a pound, or possibly 4 cents as an occasional top figure. At the peak of the post-war inflation, sugar sold up to 20 cents.



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Your choice of good bonds should depend on two things:

[1] Yourself

How old are you? What are the source and size of your income and your annual surplus for investment? Are you married? How many dependents? What are your tax and other liabilities? Do you own your home? Do you travel? Where is your legal residence? What are your prospects and plans? Have you made your will? Created a trust fund?

Why are you saving? To buy something? To assure a comfortable income in old age? To provide for your family? To protect a business? To meet some contingency?

Personal questions—yes. But, before suggesting the bonds you ought to buy, the investment specialist, no less than the medical specialist, must have facts for diagnosis.

[2] Your Present Investments

It is quite possible that some of your present holdings are not the best for you.

All the securities you now own should fit into a personal investment program, based not only upon the fluctuations of industry and a constant income average but also upon your own plans and contingencies and other personal factors.

Your present holdings are a personal matter, too. But the sincere investment specialist cannot intelligently advise you on new purchases unless he knows what you already own.

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IT IS one thing to have a sound house policy of putting the investor's interest first. It is quite another thing to have that policy adhered to throughout an organization. It might be interesting to the investor to know the steps we take to assure it. It will give him an idea of the service he can expect from our representatives.

In the first place, each new man—almost always a college graduate—is entered in our school of investment, headed by competent instructors who have both a theoretical and a practical grasp of their subject. Intensive training, for an extended period, is given to each new group; rigid examination tests each man's progress. When he leaves the school he has a thorough grounding in the fundamentals of sound investment. He is able to appreciate the principles and practices of the house and make an intelligent application of what he has learned.

All of our sales representatives are organized into small groups, headed by a manager and assistant, who closely supervise the work of each man and the problems of his clients. His recommendations and sales are reviewed, in the light of house policy and the best interest of the investor. Beyond this are the extensive facilities of the house, which make quickly available facts and expert opinion outside the individual representative's experience.

Investment counsel cannot be infallible, but errors of judgment can be minimized by the careful selection, thorough training and effective supervision of those who give it. Investors are thus genuinely helped in making intelligent selections—all with the purpose of most accurately fitting the bond to the investor.

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Business Leaders Hold Holy Play

MOST of the time Fred Hitch can be found at his place of business in Bloomington, Illinois. But during the Easter season the city knows him as the Christ of its passion play. With him in this spiritual adventure are merchants, farmers, salesmen, bankers, doctors, lawyers, professional women, housewives, children—people who give the town its character and its substance.

From their workaday world they are transported to the birthplace of Christianity. By the transforming touch of the performances they become significant and consequential figures in the sublime drama. Henry Stransberry knocks off buying grain to make the unhappy Judas live again. Charley Dogenhart climbs down from his motor truck to put on the magisterial robes of Pilate. And realtor Crosthwait lets go of his prospects to don the vestments of Caiaphus, the high priest. So with the others. They enter a new life. They vitalize the scriptural record with interpretative sound and color.

Bloomington owes its passion play to one of its citizens, Delmar Darrah. Moral and religious truths, he thought, could be taught from the stage. In that belief he undertook to interest the townspeople in the presentation of episodes which would visualize the life and works of Jesus. Announcement of his purpose was greeted with considerable doubt and misgiving. Despite these forebodings he persisted, and in 1925 the play was presented in Bloomington for the first time.

Not a Dramatized Version

DARRAH had become convinced that the only way the passion play could be presented properly would be to adhere strictly to the language and incidents of Scripture, and that any attempt to dramatize or paraphrase would result in disaster. Of his concern to preserve the verities, he has said that "the passion play presented in Bloomington is a résumé of the life of Jesus, and in all scenes the exact language of the Scripture is used." He found that

all passion plays which have been presented heretofore have dealt merely with the dramatic incidents in the life of Christ. These plays usually commence with the triumphal entry into Jerusalem, the conspiracy against Jesus by the scribes and pharisees, and the various trials ending with the crucifixion.

To build a play of this type it was necessary to make the various scenes of considerable length, which required the introduction of much language and extraneous matter not found in the Scriptures.

It was his idea that in order to understand the significance of Jesus it would be necessary to present His ministry as well as His passion. Consequently, the passion play produced in Bloomington deals with Christ's teachings, healings, and miracles, beginning

with the sermon on the mount, and includes "those tremendous acts which so deeply impress themselves upon the human heart." The only attempt at dramatization in the play is with the character of Judas, for "the Scripture gives us very little concerning this man, and in order to make the play complete the acts of his betrayal, remorse and self-inflicted vengeance must be surmised and put into dramatic form."

Produced indoors, the play cannot be attended by more than 2,000 persons at any one performance, but there is an evident compensation in the intimate relations established between audience and players. The records of seat reservations disclose that the presentations have attracted people from every state, a circumstance to give new lustre to Bloomington's name and fame.

By Mr. Darrah's appraisal, the scenery and costumes for this play have cost \$100,000. Some measure of the equipment now available is indicated by the fact that the wardrobe completely outfits the cast of 200 persons, and the electrical apparatus is adequate to the simulation of the storm in which Jesus and Peter walked on the water. During the action of the forty-four scenes music is provided by two choirs.

Solemnity Is Stressed

SOMETHING of the solemn atmosphere of the play is conveyed by items from a statement of the conditions under which it is presented. For illustration,

The time of the presentation will be three hours and fifteen minutes. There will be no intermission.

Positively no one will be seated after the curtain has been raised.

Nervous and highly excitable persons as well as those who are not in good health are advised not to attempt to witness the performance.

Children in arms cannot be admitted. Children of reasonable age who will not become restless may be admitted, if provided with reserved seat ticket. A nursery is provided for the care of small children.

Talking and visiting will not be permitted during the presentation. The Passion Play is not an entertainment. Its purpose is to bring to men and women the real meaning of Jesus Christ to the world.

Better to understand the play, study the New Testament, particularly the gospels according to Matthew, Mark, Luke, and John.

When so lofty an edifice must be supported by amateurs at acting, a presentiment of failure may be easily argued by the disappointments of play-going experience. Local ambitions to take a great theme and turn it to the benefit of one cause or another are not rare. But the "amateur theatricals" of this Bloomington enterprise need no advocate to plead for charitable judgment. Only four years old, this passion play has no fine flavor of antiquity to invite comparison with the pageants long established at Oberammergau, Rome, Freiburg, and San Gabriel mission.



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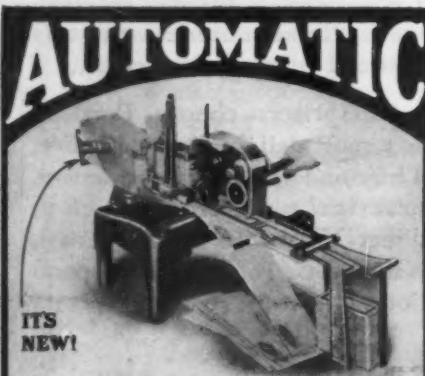
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ON THE BUSINESS BOOKSHELF



THE only way to have money is to spend it. In this paradox lies the thesis for William T. Foster and Waddill Catchings' new book, "The Road to Plenty." (1) The writers would have producers spend their savings to furnish consumers with money to buy their goods; they would have consumers spend their savings to furnish producers with money to produce the goods they need. When business is falling off, more money should be placed in the hands of the consumer; less money when inflation is under way.

In short, an even flow of consumers' money is the solution of the major economic problems of today.

Under the Foster-Catchings plan, a federal board would gather and publish statistics which would indicate whether the consumer should have more or less money. Government building of public works would be done only in times of dullness in industry. The Government would cease to compete with business for labor in times of inflation. Producers would see clearly the danger of overproduction in prosperity, and no great surpluses would be built up in times of high wages and inflated prices. The plan proposes a balancing of supply and demand by control of the volume of money available for consumption.

New-Fangled Economics

THE idea of the book is novel. Its treatment is unique. Instead of the old-fashioned treatise, the writers have produced a moving story. The factors in the problem are represented by speaking characters who get together in a smoking car and present their views in free debate. While the authors would hardly qualify as novelists, they have produced a story that is readable.

Some of the characterization is sketchy, but the reader is led to sympathize with the Little Gray Man who represents the unemployed and with the Business Man who proposes the Plan. The Professor represents the conservative school of economics and serves as a target for the shots of the Business Man. A Semi-Silk Salesman and a cautious lawyer contribute to the discussion.

Here is one book on economics that may be read and understood by the man in the street. There is a pleasing lack of technical terms. Perhaps the book is overdramatized. The Plan probably would not be the panacea it seems as the story unfolds. Nevertheless the idea merits attention, and the style of its presentation ought to win it a hearing by laymen as well as economists.

Canadian Cooperation

WITH all the tumult we have about farm aid and farm bankruptcy, a book from Canada, "Pooling Wheat in Canada," (2) should be interesting to some. Near the beginning Mr. Davissón,

the author, makes this statement so delightfully contrasting with the views held by some of our own agriculturists who like inflation:

"Some hectic profit-years there have been—the war years with their \$2 and \$3 grain, and may they never return! Those abnormal times have left some ugly scars on the economic body; the result of luxurious indulgence and over-expansion. The swing back has been difficult, and more wholesome than pleasant."

The immediate reason for Canadian co-operatives lies in the surplus of wheat in 1923. Too much wheat went to market and the surplus depressed prices. Wheat prices pulled down other grain prices. Then the general farm slump hurt business. Something had to be done. That something was the formation of wheat pools.

This cooperative plan was not formed to raise the basic price of grain but to level the price fluctuations. This leveling per se raised the income from the grain because much was sold at the low price phase of the price cycle and little at the high price. The selling of all at or near the center raises the income. And also economies are brought about in the new marketing.

The pool is financed by a two-cents-a-bushel fund for the purchase of elevators and capital expenditures and one per cent of the selling price may also be used according to the contract to accumulate a commercial reserve. This has been taken only in part up to date.

Let's All Organize

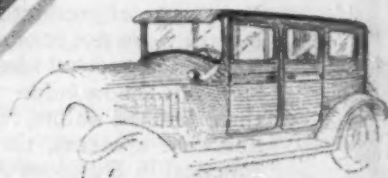
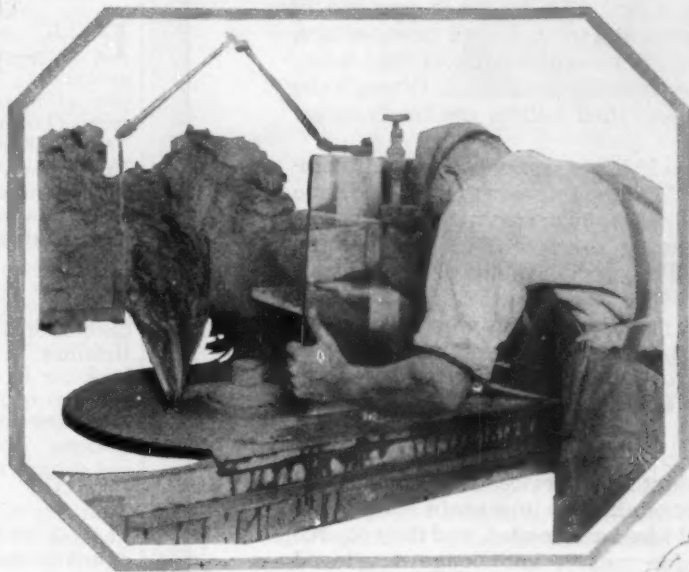
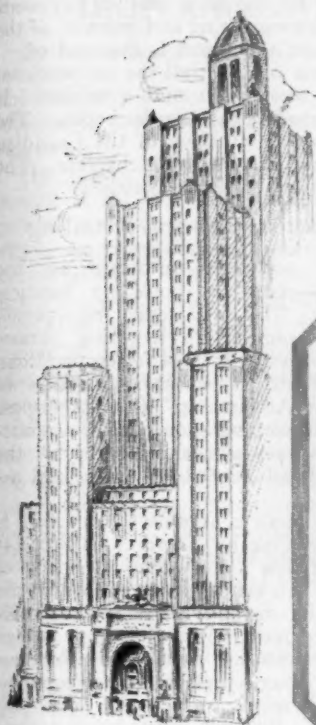
AND a point the Chamber of Commerce has been pounding at business men is adopted by the farmers. To quote:

"Organize! That is the clarion note. The principle has been abundantly proven. It draws economic echoes from all nations in the front rank, or near that rank. But in the midst of it all, and at the foundation of it all, stands the aloof, individual, unorganized man of the land, stooping over his work—in a struggle with elemental forces, or something just a little stronger than himself, from dawn to dark!" By organization "The farm 'inferiority complex' will gradually lose itself, and give way before a heightened rural morale, among those engaged in man's first industry."

The pools have as their aim to market the farmers' grain in the most direct way and without the numerous inefficiencies charged to preceding grain operators. It does not contemplate raising the price of bread or in any way declaring economic war on the soundly entrenched city consumers.

A by-product advantage of the pools is their method of paying. Farmers have always received their annual income in one lump sum. Imagine the city workers paid annually instead of bi-monthly! The pools give a lump sum on the receipt of

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Fresh Ideas

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In business as in sports: "He who sets the pace must strain the hardest." The leader in any line of endeavor is the natural target for all competitors. Often these competitors are able to shoot the leader-targets full of holes because their aim is through the sights of progress and their bullets are *fresh ideas*.

Fresh ideas always indicate reserve strength in competitive business. The trouble with many one time leaders is that their ideas lose freshness. Business methods that brought them to the front become their speed limit. They lack the spurt of *fresh ideas*.

Conditions change; methods that were successful become antiquated or ineffective. Some house in the rank and file grasps the new opportunities which the leader fails to see and a new leader comes to the front.

Excellence of product and service are fundamental but they are not enough. To *maintain* leadership, fresh and practical ideas are needed, and their source is *exact knowledge*—exact knowledge developed thru detailed audits, research and up-to-date budget and cost systems, thru the modern, the fresh, the practical in Business Accounting.

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the grain which is the larger part of the price, but the financial difficulties of making large seasonal payments are relieved somewhat by the later smaller payments in the following spring and summer as the remainder of the wheat is disposed of.

This book is not at all the conventional American treatise on such a subject. It is less dry reading than similar books. The book gives the situation of the Canadian cooperatives, but in short chapters. The situation is given rather sketchily.

On Accounting and Retailing

EVERY so often—we might say too often—comes a book on business arithmetic. The titles range from principles of accounting to imposing phrases such as budgetary control for corporations.

This month's contribution is "How to Understand Accounting." (3) Its purpose is to give a working knowledge of accounting in its various branches without the mass of detail needed by specialized accountants.

Another book in another flooded field is that on retailing by Norris A. Brisco, (4) director of New York University School of Retailing. To sidetrack the subject of the book for an instant, it seems that competition is most bitter between college professors who are writing on business subjects. Every professor of a commercial subject seems to be eager to try his hand at it. Business literature is a comparatively new field. The profits, for one who can write a book that would be accepted as standard are great.

It would seem that the new competition has struck even the staid occupation of college professors—an occupation which one would think far from worldly competition. From this strange competition are coming better business books.

But to return to the subject, this book, in addition to being better organized than most books of the type, has a tone of authority. Witness the list of names on the title page of those practical men who collaborated with the author in the preparation of the volume. It includes a credit manager, a superintendent, and assistant controller among others.

- (1) *The Road to Plenty*, by William T. Foster and Waddill Catchings. Houghton Mifflin Company, Boston, 1928. \$2.
- (2) *Pooling Wheat in Canada*, by Walter P. Davisson. Robins & Magrath, Ottawa, Canada, 1927. \$2.50.
- (3) *How to Understand Accounting*, by Howard C. Greer. The Ronald Press Company, New York, 1928. \$3.
- (4) *Principles of Retailing*, by Norris A. Brisco. Prentice-Hall, Inc. New York, 1927. \$5.

OTHER BOOKS RECEIVED

The Condition of Agriculture in the United States and Measures for its Improvement, a report by the Business Men's Commission on Agriculture. Published by National Industrial Conference Board, Inc., and Chamber of Commerce of the United States of America, 1927. \$2.50.

Modern Aircraft, by Major Victor W. Pagé. The Norman W. Henley Publishing Company, New York, 1927. \$5.

Retail Shopping Areas. J. Walter Thompson Company, New York, 1927. \$10.

Is America Neglecting Individuality?

(Continued from page 24)

children are pretty sure to grow up sufficiently patriotic and sufficiently conventional.

The danger, indeed, is exactly the opposite; it is, that they will grow up so patriotic as to despise everything in which America does not excel, and so conventional as to be unable to entertain any opinion not held by the other members of their group. They tend to be unable to act upon an impulse coming from within, as opposed to one reflected from neighbors.

My advice, therefore, to those who control schools on modern lines in America, would be to lay less stress upon social consciousness, and more upon individual initiative. I do not wholly like the scheme of having a class decide upon a cooperative enterprise and then carry it out by their joint efforts.

Artist's Must Be Individual

INTELLECTUAL and artistic effort is a solitary business, not interesting, perhaps, to every child, but overwhelmingly so to the child that is going to be an important adult. Such children are, as a rule, somewhat solitary, and not very good at joining in the play of others, since those of the same biological age are too stupid, and those of the same mental age are too muscular. The only solution which does not either acquiesce in their solitary condition or damage them mentally is the formation of groups of exceptionally able children—a scheme which has been tried with success in America, though not, as yet, on a large scale.

To attempt to force such children into intimate cooperation with others of quite different mental calibre is to go against their own perfectly sound instinct, to expose them to ridicule on account of their originality and to render them in later life intellectually and socially timid. I have little doubt that this kind of pressure from a humdrum environment is the chief cause of the very small amount of intellectual and artistic achievement in America as compared with any equal population in Europe.

Consider, by way of contrast, the sort of thing that happens in France. The boys who are ablest in a purely scholastic sense are apt to be educated in the *école normale supérieure*, where intellectual standards are socially recognized, and it is not necessary to adopt the slow instruction required for average pupils.

Consider, again, the life of a young artist or literary man in Paris. He scarcely associates with people who despise his pursuits, he does not attempt to look like a prosperous bourgeois and he does not dream of regarding money as the test of success. In America, on the contrary, while an artist who has already succeeded wins the highest respect, young men are rendered incapable



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of succeeding (except financially) by the insistence that they must be just like anybody else, and the persecution which they suffer if they dare to behave as their artistic impulse prompts them to behave. All this is due to a too narrow conception of social cooperation, and a failure to realize that many kinds of people are needed to make a world.

In a French provincial town, the priest, the mayor, the doctor and the lawyer are expected to be quite different, one from another; in a corresponding American city, they are expected to be all exactly alike, to the great detriment of their professional excellence.

My own view would be that there are two causes of what I should regard as the undue uniformity of American social life. One, which I have already mentioned, is the fear of being swamped by immigrants; the other is a somewhat mechanical conception of democracy.

As regards the former: The danger may now be regarded as at an end, since immigration has been greatly restricted and the children of immigrants have been successfully Americanized; the whole psychological and political mechanism brought into play to deal with this problem might now, therefore, be dropped with advantage.

Our Democracy Too Democratic

AS REGARDS democracy: There are here two different points; first, that even if all men are equal it does not follow that all men are alike; secondly, that, though all men may be equal in respect of rights, they are not equal in respect of capacity. To take the first point first; it is thought snobbish in America for persons who like literature, or art, or pure mathematics, or Egyptology, or what-not, to wish to associate with other people of like tastes, unless it be formally in a club on the first Wednesday of the month or some such occasion. It is not thought nearly so dreadful for baseball fans to seek each other's society. These do, in fact, feel superior to the vulgar herd, but the others are suspected of this feeling—quite wrongly, since, as a rule, they will only confess to intellectual or artistic tastes in a tête-à-tête, after looking to see that no one is listening outside the door.

Unusual tastes do not imply any claim to superiority, and should not expose their possessor to persecution, since every community needs a sprinkling of people interested in something beyond money and athletics.

And as regards capacity: Everyone recognizes that some men are better than others at football, because that is regarded as important; but it is thought contrary to the spirit of democracy to recognize superior intellectual ability, except in those who have already succeeded in some obvious fashion. This seems to me a mistake. It is a plain fact that some children are congenitally more intelligent than others, just as humans are more intelligent than apes.

It is also a plain fact that the more

intelligent need, if they are to develop their maximum social usefulness, a different environment and a different training from that which is appropriate to the less intelligent. Until these truisms are recognized and acted upon educationally and socially America will continue to produce less than her fair share of eminent men.

It may be thought that what I have been saying has very little to do with the nation's business. I cannot admit that this is the case. Industrialism is built upon sciences, and applied science is built upon pure science. America is supremely able in the practical utilization of knowledge, but not in those fundamental scientific discoveries upon which this depends. Take, say, wireless and radio: The difficult part of the work involved was done by three men—Faraday, Maxwell, and Hertz—none of whom ever arrived himself at anything that could be exploited commercially. Yet without them the men of practical mechanical ingenuity would have been helpless. This example is only one of many that might be given, showing that American industrial life is intellectually parasitic. In view of the danger that the energy of Europe may become exhausted by wars and impoverishment, this is a grave matter. And the root of the trouble—so, at least, I believe—is the American insistence upon a too obvious form of social cooperation, which prevents the development of exceptional individuals to the point where they can do the best work of which they are capable.

It is generally recognized in American universities that those who are eminent in football should not be worried by intellectual requirements. I am pleading for the converse, that those who are eminent intellectually should not be worried by football, or by the various social requirements involved in the attempt to make them commonplace.

Equality Only by Law

DEMOCRACY, rightly conceived, does not demand acceptance of the patently untrue proposition that all men are equal in ability. It involves an absence of social, economic, or legal privileges other than those that are demanded in order that a man may perform his maximum service to the community. It is not inconsistent with democracy so understood that a youth of exceptional ability should have exceptional educational opportunities; nor is it inconsistent that his exceptional abilities should be recognized.

All this requires, if I am not mistaken, a somewhat greater emphasis upon individual development and a somewhat smaller emphasis upon social cooperation, than has been customary in American education during the present century. But the whole question is one of degree, since both elements are needed; it is only as to the proportions in which they should be mixed that a rational divergence of opinion is possible.



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LISTENING IN ON CONGRESS

Our observer rescues from oblivion some flights
of wit and fancy overlooked by the more serious-minded press

Brief Chapter On Weighing Ballots

THE CHAIRMAN. What is a "Strip type" politician?

MR. MCGOVERN. Well, the name has been fastened on a portion of the city that lies north of the Allegheny River, the original part of Pittsburgh; that strip of ground beginning at the Ohio and Monongahela rivers and continuing up to about Fiftieth Street. For many years—forty years, I would say—that has been the "Strip." It is a tenement house section, filled with poorer dwellings; but the methods that were learned there have been circulated now over the entire country, because some of these people have moved to the better locations, and the methods are applied there the same as in the Strip.

THE CHAIRMAN. What were the methods of the Strip?

MR. MCGOVERN. The method of the Strip for years has been largely to weigh the vote instead of counting it.

THE CHAIRMAN. You do not mean that literally?

MR. MCGOVERN. In substance I would say this: In the second ward of the city of Pittsburgh in 1922 there were about 2,000 votes; 1,900 of those votes in that campaign went for Mr. Alder, who was running for the governorship against Governor Pinchot; but in the November election following Governor Pinchot was opposed by a Democrat, McSparren, and in that election McSparren got the 1,900 votes and Pinchot got the same 80.

Of Protection and per Capita

MR. GREENWOOD (Ind.). If Montana raises better wheat, why does it take a less price under protection in competition with a poorer grade of wheat in Canada, where the tariff is not so high?

MR. RAINEY (Ill.). Oh, the more the gentleman from Montana says, the more illogical his position becomes, and this is true of anybody who tries to defend a protective tariff in this world at the present time. This Republican per capita method of doing things does not appeal to me. In order to illustrate what I mean—take Andrew W. Mellon, Henry Ford, and myself, just we three. To-

gether we are worth \$4,000,000,000. In order to tell how much we are worth per capita you divide that by three; and if you divide that by three you reach the conclusion at once that I am worth over \$1,000,000,000, and I want to deny it so far as I am concerned. They have still got the \$4,000,000,000 when you make that kind of a division, and I have still got the per capita, and that is all I get out of it.

Of Floods and Poetry and Politeness

Eventually we are going to be advised as to whether the United States Government has the power and the authority to carry out a national flood control program without first bowing the knee to the sovereignty of some individual state.

MR. BLAKE (Engineer of Oklahoma City). Your expression is possibly a little unfortunate. Two sovereigns never bow the knee to the other. They kiss the fingertips. We hope that Texas and the United States can get together and do that.

MR. SWING. Well, we are going to find out who is going to kiss whose fingertips.

MR. BLAKE. Each does to the other. We tried to reach that, Mr. Swing, in this compact by —

MR. SWING. By cutting off the fingers?

MR. BLAKE. No; we cut off the lips to keep them from talking too much.

MRS. GENEVIEVE CLARK THOMPSON. A poem was written some years ago by a man named Douglas Malloch, which I think summarizes very well the position of the dwellers in the valley:

WHO OWNS THE RIVER?

The river belongs to the Nation,
The levee, they say, to the State;
The Government runs navigation,
The Commonwealth, though, pays the freight.

Now, here is the problem that's heavy—
Please, which is the right or the wrong?
When the water runs over the levee,
To whom does the river belong?

It's the Government's river in summer,
When the stage of the water is low,
But in the spring when it goes on a hummer

And starts o'er the levees to flow—
When the river gets suddenly dippy
The State must dig down in its till
And push back the old Mississippi
Away from the farm and the mill.

I know very little of lawing,
I've made little study of courts,
I've done little geeing and hawing
Through verdicts, opinions, reports;
Why need there be anything more said
When the river starts levees to climb?
If the Government owns the aforesaid,
It must own it all of the time.

If some time should somebody's chickens
Get into your garden and dig
And pull up the plants like the dickens,
Or somebody's bull pup, or pig,
The owner thereof cannot blame it
On you or some party remote;
The owner thereof can't disclaim it,
The chick or the pup or the shoat.

If it's your Mississippi in dry time,
It's yours, Uncle Sam, when it's wet;
If it's your Mississippi in fly time,
In flood time it's your river yet.
There's no other way you can make it,
And so, when I give the alarm,
Come get your darned river and take it
Away from my timber and farm!

Of Demagogues and Devil Wagon

"OH, PSHAW," Mr. Chindbloom (Ill.) is speaking: "we have gotten into the quadrennial season of political debate." The occasion of the remark is indicated here:

MR. TREADWAY (Mass.). When a gentleman like the gentleman from Texas comes on this floor and talks as a demagogue in this House and publishes in his speech the statement that such a man as Andrew W. Mellon would allow his private interests to take the place of his public duty, oh, it is too low demagogism to bear. I get angry.

MR. GARNER (Tex.). I heard a gentleman, when he was passing through here a few moments ago, say that a friend of his had made a statement that reminded him somewhat of the gentleman from Massachusetts and his action this morning. He said: "My friend Treadway (to use an automobile expression) has one of the largest hoods and the loudest horn with the least horsepower that I ever heard of in my life."

On the Senate side this quadrennial season is furnishing more gayety than the fine winter weather in Washington.

MR. BORAH (Idaho). Mr. President, speaking about fraternal love, possibly after the Jackson Day dinner we will know more about it.

MR. COPELAND (N.Y.). May I say to the Senator that I am praying all the time that we may have such a harmonious meeting as the interests of the country demand.

MR. BORAH. I agree with the Sena-

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TOMORROW MORNING you'll look out upon a painted ocean of violet, indigo, emerald, jade. Go down to breakfast and a soft-footed Oriental waiter will bring a luscious melon that grew in a tree, or a slice of pineapple only a

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tor that there should be such a meeting as will help the country.

MR. COPELAND. We are as one in that matter. Are there any other comments at this moment across the aisle?

MR. FESS (Ohio). "The prayers of the wicked availeth nothing," is the only comment I wish to make at this time.

MR. COPELAND. But the prayers of the righteous availeth much.

MR. SHORTRIDGE (Calif.). Will the Senator have the goodness now to tell us the name of the nominee?

MR. COPELAND. Certainly. I shall be glad to name the nominee. The governor of my state, Alfred E. Smith, will sweep the country, and if he is nominated for President it does not make any difference what the gentlemen across the aisle do; he will be elected. Is that all?

MR. BORAH. No, that is not all. What is the position of Governor Smith on the eighteenth amendment?

MR. COPELAND. Has the Senator from Idaho forgotten how to read the English language?

MR. NEELY (W. Va.). The distinguished Senator from Idaho has asked the able Senator from New York to state the attitude of the alleged candidate for President towards the eighteenth amendment. I ask the wise and courageous Republican Senator from Idaho to state the position of his party's President on the eighteenth amendment.

MR. BORAH. Mr. President, if anybody ever announces his candidacy for the Republican nomination, I am going to ask him.

MR. NEELY. Does the Senator believe that he could obtain a responsive answer from the present incumbent?

MR. BORAH. The present occupant of the chair?

MR. NEELY. No; the present occupant of the White House.

MR. BORAH. If I should ask him what?

MR. CARAWAY (Ark.). There is a candidate sitting right back of the Senator from Idaho. If he cannot find out his sentiments, he can at least ask him.

MR. BORAH. I do not even know who the candidates are.

MR. CARAWAY. Then let us take a day off and name some of them.

MR. BORAH. There has been no announcement of their candidacy so far as I know.

MR. CARAWAY. I hope the Senator will read the newspapers, because at least two Senators sitting on his side of the Chamber have had their hats in the ring and advertised that they had put them in the ring some weeks ago. They ought to be at least recognized as candidates by Members of the Senate.

MR. BORAH. The Senator may be assured that these questions will be asked of them.

MR. CARAWAY. Let us ask them right now. There are at least two of them present.

MR. BORAH. There is no better interrogator in the Senate than is the Senator from Arkansas.

MR. CARAWAY. I do not pretend to speak for the Republican side because I never have been able to know exactly what the Republican Party stood for. I really had thought that the present administration was proceeding upon the theory that the "drys" had all the law they wanted and the "wets" had all the liquor they wanted.

Of Klans and Kamelias and Klaziks and Konfufusion

THE SPECIAL COMMITTEE on Elections was investigating Indiana.

MR. EMMONS. We had some good men in the clan. They are not staying by it now. . . .

THE CHAIRMAN. Who is Smith?

MR. EMMONS. He is our grand dragon now.

THE CHAIRMAN. What is bad about him? Did he get in bad?

MR. EMMONS. I do not care—I would rather you would—

THE CHAIRMAN. Not ask you?

MR. EMMONS. Yes. If anyone asked around Indianapolis they would be glad to tell you. I think the chief of police or the chief of the horse thief detective association could tell a long story of Smith.

THE CHAIRMAN. You have local lodges or associations, and you have state and national organizations, etc. What can you tell me about them?

MR. EMMONS. We have first the state or local clan; that is, members that are white, Gentile, Protestant, native-born Americans with \$10. Then you pass on. For six months you are true, loyal, honest to the oath that you take. Then you go through what is known as the invisible empire and you are eligible to the second degree, which is known as the Knights of Kamelia. There it is put on in a play. It shows a man that should he turn away from the clan—it is acted out—he becomes Arnold the traitor.

Now, I will be looked on from today as Arnold the traitor. This man in this great climax dies.

He dies. He falls, and as he falls over, on his shoes is written these words: "Arnold the traitor. Died without a country." That is on the soles of his shoes. That, I suppose, represents that his soul is lost, too. Should you ever reveal any of the secrets of the Ku-Klux-Klan you are a traitor.

THE CHAIRMAN. And they add to the indignity by writing something on the soles of your feet?

MR. EMMONS. Yes, sir.

THE CHAIRMAN. That carries us through the second degree.

MR. EMMONS. That is the second degree, and that is as far, your honor, as I have ever gotten. Then you get into the furies and the terrors and the kamelias and the great klaziks. Those are all Latin to me; I am honest with you. I do not know what they are.

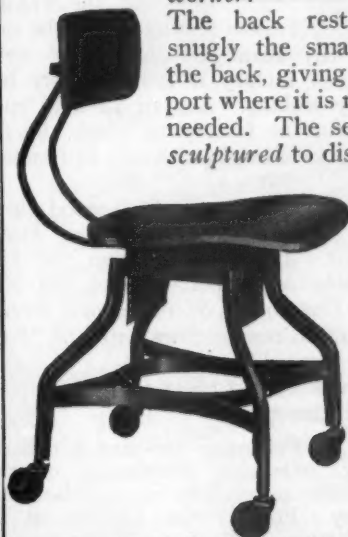
THE CHAIRMAN. No; that is not Latin. That is imbecility.

Prove in Your Own Office and Factory That Comfort Cuts Costs!

MODERN, labor-saving machinery has increased production and decreased manufacturing costs—by enabling one individual to do many times the amount of work in a given period of time. And in scores of great industrial plants, offices and shops

UHL Steel Posture Chairs

are accomplishing the same results by conserving human energy, lessening fatigue and affording a comfortable, restful seat. These chairs, made in many styles, are easily adjustable to fit each individual worker.



The back rest fits snugly the small of the back, giving support where it is really needed. The seat is sculptured to distrib-

ute evenly the weight of the body—without strain on nerves or muscles.

UHL Steel Posture Chairs are made of cold-rolled u-shaped channel steel and they are welded at points of greatest strain. This eliminates breakage and reduces to a minimum the cost of maintenance.

We also make a complete line of UHL steel furniture for office, shop, school and cafeteria. Catalog sent on request.

The Toledo Metal Furniture Co.

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The Toledo Metal Furniture Co.,
2002 Hastings St., Toledo, Ohio.

Please send catalog.

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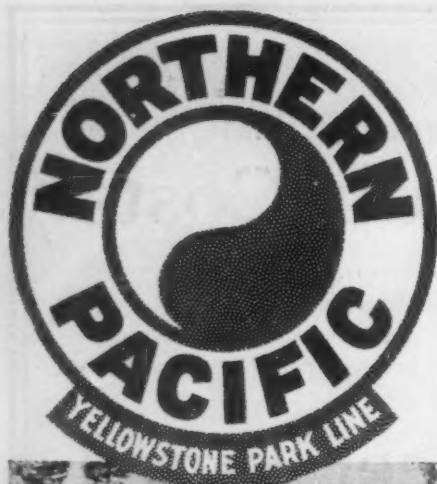
109,700 Reprints

of a Nation's Business article were recently furnished seventy-seven different concerns at their request for distribution by them.

These reprints—*The Answer to New Competition* by O. H. Cheney—were supplied at cost.

Any article in this number of Nation's Business will be reprinted for you at your request—in convenient form for distribution..

NATION'S BUSINESS, Washington, D.C.



We Suggest Yellowstone Park For Your Sales Convention

The letter quoted is from R. W. Caldwell, Western Sales Manager of the Keystone View Company, whose convention party at Yellowstone is pictured above.

"When we held out the prize of a Yellowstone vacation to our representatives, they began to hustle. Our department has never held as wonderful a convention as we had in Yellowstone in 1927.

"We have found that following every sales convention we have dozens of things to be ironed out and the 4½-day tour through the Park, after a meeting at Mammoth Hot Springs, gives sales managers and salesmen a splendid opportunity to ask and answer questions and to get better acquainted."

Why not Yellowstone National Park for your sales convention? Business program at Mammoth Springs—then the 4½-day tour of the Park—a prize worth working for—the experience of a lifetime!

We'll gladly give you complete information about this world-famous Park and will make all arrangements for your convention in the Park, if you will write us or mail the coupon.

Northern Pacific Ry.

"First of the Northern Transcontinentals"

Mr. E. E. Nelson, Passenger Traffic Mgr.,
624 Northern Pacific Bldg., St. Paul, Minn.

Dear Mr. Nelson: I AM INTERESTED IN THE YELLOWSTONE TRIP as a prize for sales effort and would like to know about facilities for Sales Conventions. Kindly send me complete information.

Name _____

Address _____

When writing please mention Nation's Business

NEWS OF ORGANIZED BUSINESS



Isle of Jersey Chamber of Commerce founded, 1769

TODAY, cooperative action is essential as a means of advancing the interests of any industry. The day of the individualist, when personal interest overshadowed all other motives, has passed. It has been forcibly demonstrated that individual prosperity depends absolutely upon the success of the industry; that no individual can permanently prosper at his industry's expense.—CHARLES M. SCHWAB.

Factories Wanted!

EXCESS CAPACITY. Keen competition. New production methods. New products replacing the traditional. All these and more may be reasons why Blankville should not want that new factory it is so actively but blindly seeking. Any or all may spell doom to the factory to which the future looks so bright with only half knowledge.

Diversification may be a good thing for a town but it must be very wisely handled. In this connection the Department of Manufacture of the National Chamber is offering a new service of value to communities with the "Factories Wanted" sign out.

Here is what it offers to quote in part its announcement:

The local chamber may find it difficult to obtain reliable information on the conditions surrounding a manufacturing industry. Possibly the Department of Manufacture can be of service, not through maintaining a store of statistics and industrial information which may soon become obsolete, but through the exercise of its function as a clearing-house of up-to-date information gathered from the National Chamber's innumerable points of contact.

In some cases the service may consist simply in putting the local chamber into direct touch with reliable sources of information. . . . Its service will not be of the character of an engineering investigation, for this is the kind of service consulting engineers are prepared to render.

In requesting information of this character, the department wishes as comprehensive a statement as possible of the proposal before the community, together with an indication of the character of information that will be most helpful.

Blanket inquiries cannot be handled by the department to best advantage. For example, if the community is considering a proposal for a glass plant, request for information from the department should

specify whether the proposed plant be for the manufacture of window or plate glass, table-ware, or bottles or jars. Each of these is an independent branch of the glass industry and must be so treated.

It is hoped that chamber of commerce executives will avail themselves of this offer of service. Moreover, if there is any problem before the community in connection with the growth and profitable operation of existing plants, it may be that the department can be helpful, and correspondence is invited.

Manufacturing Efficiency

TRAINING for better foremanship has grown from 105 courses in 1925 to 933 courses in 1927. These figures indicate that foreman training is being looked upon as an agency for greater efficiency in manufacturing, declares the Department of Manufacture in announcing the results of its third annual census given on this subject.

Individual manufacturers, vocational education agencies, state universities, city school systems, chambers of commerce and manufacturers' associations are engaged in this work. Courses can be conducted profitably in any community having industrial plants. New York, Ohio, Pennsylvania, Michigan, Indiana, and Massachusetts are the leaders among the states in number of courses being given. Those interested may obtain a copy of the report upon request.

Trade Association Activities

CREATING NEW business rather than merely swapping customers is the aim of more than 50 trade associations which are spending in excess of \$10,000,000 a year for periodical advertising alone. Data collected by the Department of Commerce indicates that trade associations are spending \$35,000,000 a year for cooperative industrial research. In the

15,000 users PROVE THE ECONOMY of making permanent fastenings to steel, cast iron, etc., by this simple method

PARKER-KALON Hardened Metallic DRIVE SCREWS offer the easiest, quickest and cheapest means of making permanent fastenings to iron, brass and aluminum castings, steel, Bakelite, etc.
No skill or special tools are required to use them. Just two simple operations:



As they are hammered in, they cut their own thread in the material, eliminating the costly tapping operation with its breakage of taps and upkeep of tapping machinery. In most cases their adoption results in savings of from 50% to 75% over other methods. Furthermore, they make better fastenings—fastenings that will not loosen even under extreme vibration.

There are hundreds of applications for these time-and-labor-saving Screws—ranging all the way from attaching name plates to making assemblies where the strength of the fastening is an important consideration.

The fact that more than 15,000 manufacturers—including the leaders in every branch of the metal working industry have adopted PARKER-KALON Hardened Metallic DRIVE SCREWS is the best proof that they reduce costs, speed up production and make better assemblies.

PARKER-KALON CORPORATION
202 Varick Street New York, N. Y.

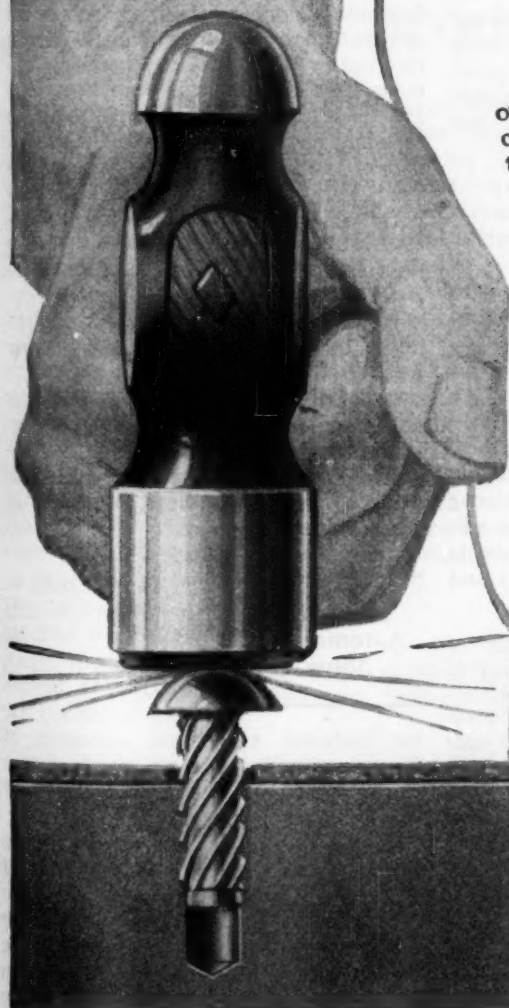
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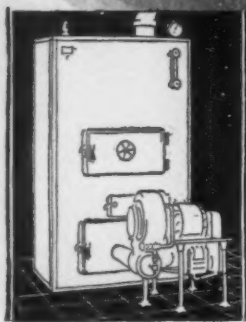
PATENTED JAN. 29, 1924 - NO. 1482191
OTHERS PENDING

Send for FREE Samples

Samples together with complete information about these unique time-and-labor-saving Screws will be gladly sent upon request.



Wagner Motors



MOTORS for Oil Burners

A full line of Wagner Small Motors is built to the "refrigeration" standard. Quiet, and with close tolerance, these small motors show excellent efficiency and high power-factor and can be furnished in either a. c. or d. c. ratings. Mounting dimensions permit the interchange of Wagner Motors of different ratings as well as of other motors of standard makes. All Wagner Motors use the filtered-oil system of lubrication, which assures an abundance of clean oil.

Twenty-four service stations, factory branches, distribute to Wagner Dealers located all over the United States. This is the Wagner National Motor Service.

Literature upon request



MOTORS... Single-phase,
Polyphase and Fynn-Wechsel Motors
TRANSFORMERS... Power and Distribution
FANS... Desk, Wall and Ceiling types

WAGNER ELECTRIC CORPORATION
6400 Plymouth Ave., St. Louis, U.S.A.

44-7537-8

field of scientific and economic research, in statistics, in simplification and standardization, in the promotion of arbitration in commercial disputes, in the development of foreign trade, and scores of other directions, trade associations have made a valued contribution to our economic progress.

All these topics are discussed in *Trade Association Activities*, a publication of the Department of Commerce. This book is invaluable to anyone interested in trade association work. It deals not only with the various phases of the work such as organization, statistics, cost accounting, etc., but also with the work of trade bodies in various industries such as textiles, metals and machinery, banking and insurance, and the like.

Copies may be obtained from the Superintendent of Documents, Government Printing Office, Washington, D. C., at 75 cents a copy.

Europe Will Save Its Surface

THE FIRST step in a cooperative campaign to "Save the Surface" of Europe has been inaugurated. In January the Belgian Paint and Varnish Manufacturers' Association launched its campaign to get its country to paint up. Similar organizations in Holland and Germany are working out similar campaigns.

The "Save the Surface" organization in this country has been cooperating with leading members of foreign paint and varnish industries in giving them the benefit of its experience in this country.

"Try These On Your Town"

REGIONAL organizations are growing in importance. One of the outstanding organizations in this field is the New England Council. From a recent publication of theirs we get these questions to be answered by cities which have not conducted community surveys. "If these questions are honestly answered for any community they will show the strong and weak points of its industrial condition and point the way to the action needed for immediate improvement and future growth."

1. What are the present industries of our community, and what proportion of local employment does each provide?
2. Is there diversification of our industries, or are most of our industrial eggs in one basket?
3. Which of our industries have shown a growth in the last two years?
4. Which of our industries have failed to grow in the last two years, and why?
5. Of those industries that are growing what is the attitude of the management as to increasing their facilities in their present location, as compared with locating their added facilities elsewhere? Why?
6. How have state laws regulating in-

dustrial operations affected our industries and their employees?

7. What cooperation exists between our industries and our community? Is there opportunity for further cooperation?

8. What new industries have been established in our community in the last two years, and why?

9. What industries have ceased operations or left our community in the last two years, and why?

10. Are the consumer products of local industries stocked by local wholesalers and retailers—if not, why?

11. What has been the record of tax increase in our community during the last five years?

12. How does the financial administration of our local government compare with the best business practice of our community as to budgeting, purchasing, accounting, etc.?

13. How many of the boys and girls of last year's high school graduating class are now employed in our community? How many felt they must seek their opportunity elsewhere, and why?

14. What is being done now to provide opportunities in their home town for the boys and girls graduating this year?

How to Invest

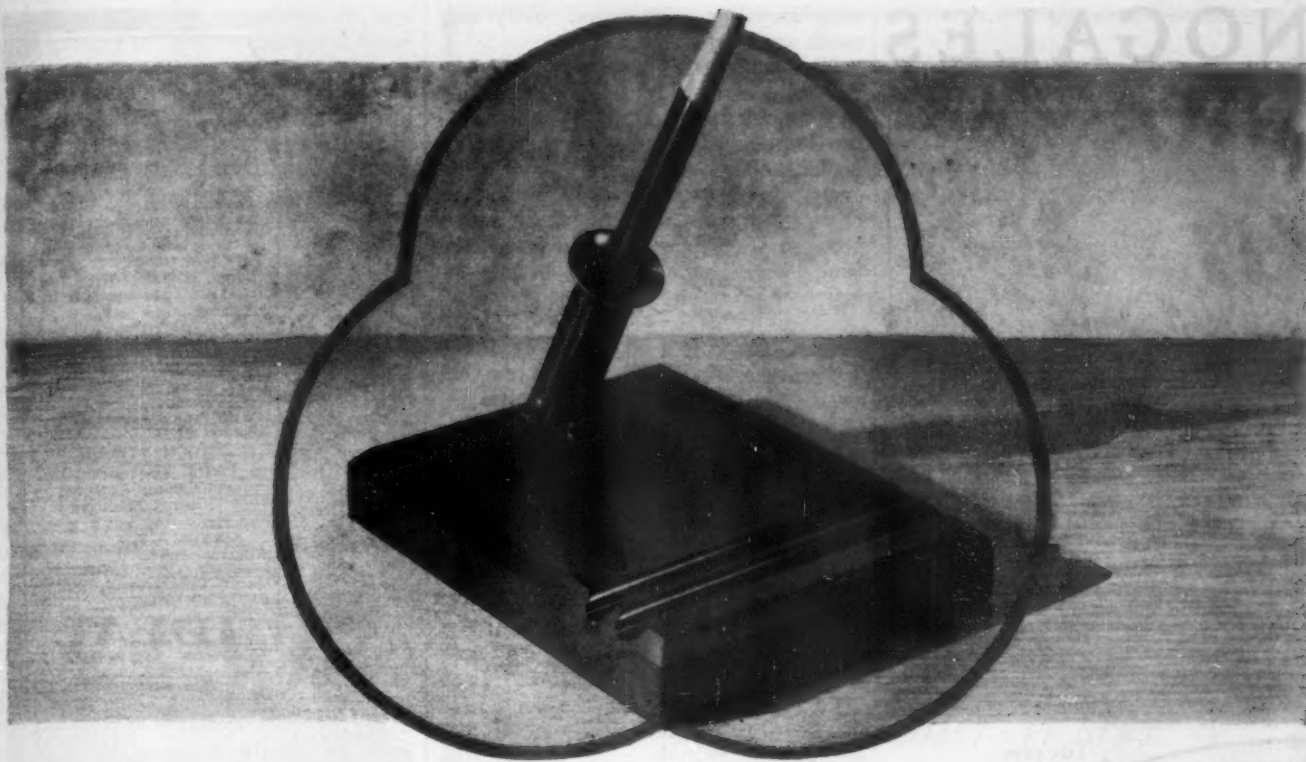
A NEW NOTE will be sounded in an investment education campaign to be conducted by the Rochester, New York, Chamber of Commerce, the Investment Bankers Association and the National Chamber. Four years ago 80 per cent of the inquiries about securities received by the Rochester Chamber were made after investment; now, 80 per cent are made before investment. This is certainly fine testimony to the effectiveness of the "Investigate Before You Invest" work. So thoroughly has the importance of investigation been appreciated by the general public that the need for detective work has been done away with.

How should widows or working men invest their money? How can a living for old age be built up? These are some of the questions with which this new movement will deal. As the plan is developed step by step by the experts of these organizations it will be made available to others interested in the movement.

The 1927 Automobile Show

ONLY 58 per cent of the new cars bought in 1927 were sold on the instalment plan according to figures recently published by the National Automobile Chamber of Commerce. The average price of the cars was \$953 on which an average of \$379 was paid in cash.

This industry which turned out three and a half million cars last year used 84 per cent of the rubber imported into this country, 50 per cent of the plate glass manufactured, 12 per cent of the copper mined and 14 per cent of the iron and steel products turned out. Three hundred and seventy street railway sys-



Fountain Pen Desk Set with Bakelite Molded Stand. This Desk Set is made by Eagle Pencil Co., New York, N. Y.

Bakelite Molded proved better and cheaper for producing this desk set

GLASS, marble, metal and celluloid, as well as Bakelite Molded, were considered when producing the stand of this desk set was first under consideration. Bakelite Molded was finally decided upon because it was best adapted for the purpose and most economical. If made of some of the other materials the stand would have cost three times as much.

The three parts of the stand,—the base, the neck and the plunger inside of neck—are all of Bakelite Molded. Two of the bases are completely formed in one operation, and seven of the necks in another. The parts acquire a high lustre in the mold, and require no subsequent buffing or polishing. Additional advan-

tages were the strength of Bakelite Molded and the fact that it is non-hygroscopic and non-warping.

Bakelite cooperation is available for any manufacturer

Bakelite Engineers, located in important industrial centers throughout the country, are equipped to render prompt and helpful cooperation to present and prospective users of Bakelite Materials. The Bakelite Corporation places at their service the facilities of its extensive laboratories, and its unequalled experience in the practical application of phenol resin products to industrial needs. Write for Booklet No. 42, "Bakelite Molded."

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Chicago Office: 635 West 22nd St.

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Come and visit with us in this "friendly city" where the Arizona-Mexico border is always open. Perfect climate. Dry mountain air (climatically speaking only!). Altitude 3869 feet. Good hotels. Numerous well-conducted cafes. High class entertainment. Continental atmosphere. No customs formalities.

Stop off and "join the party" at Nogales. Transfer at Tucson—two hours away.



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Please send me free booklet (108)

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"Mechanical Painting for Maintenance"

—a complete booklet on maintenance painting. •• Your copy now ready.

This book answers many of the questions in your mind about mechanical painting and equipment. It

compares costs of applying paint on different kinds of surfaces; shows various Matthews machines; gives interesting experiences of users and other information valuable to those interested in reducing their maintenance painting costs. You'll profit by reading the book and by investigating the features of dependability and ultimate economy which Matthews Mechanical Painting Equipment offers you. ••• Write today for your copy.



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MATTHEWS

MECHANICAL PAINTING EQUIPMENT

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tems are using 8,600 buses. Sixty railroads are using 1,175.

Nine and a half billion gallons of gasoline were consumed. In this connection it is interesting to note that the American Petroleum Institute has published a booklet on gasoline answering almost every possible question about it. It deals in simple language with what is good gasoline, how it is produced, the competitive conditions in the industry and how prices are determined.

Arbitration Is Popular

THERE SEEMS to be little question but that commercial arbitration will increase in volume as rapidly as adequate machinery is provided through commercial organizations. The National Chamber has devoted much time and effort to studying the subject and working out sound procedure.

The Commercial Arbitration Committee of the Detroit, Michigan, Board of Commerce has recently published a booklet on the results of its work. In a little more than a year the committee has heard many cases and some of considerable magnitude. Those interested may undoubtedly obtain copies of the booklet from the Detroit organization.

Eliminating Competition

HERE IS the story of a sectional trade association which though a national association took over most of its functions still continues actively. Lawrence S. Clark points out why cooperation has paid in this case.

Twenty-three men sat down to dinner the other evening, calling each other "Bill" and "Jim" and "Frank" and "Dave," each smiling at the others, all having a wonderful time.

Nothing unusual, perhaps, but consider that each of these twenty-three men was competing with all the others in a limited, highly competitive field, that business during the previous year had not been good, and that none had showed a real profit for a long time. The occasion was the banquet at the 39th Annual Convention of the Northwestern Hardwood Lumber Association, held as usual in Minneapolis, Minnesota.

Thirty-nine years ago transportation facilities were slow and uncertain, lumber grading rules differed in every locality, competitors were often considered unjust and unfair, and mills often did not manufacture or ship when and as agreed. As a result the hardwood lumber business in the great northwest was anything but a pleasure most of the time.

A small group of pioneer hardwood lumbermen gathered around the dinner table in Minneapolis one evening back in 1889 to discuss conditions and possible remedies. The result was the formation of the Northwestern Hardwood Lumber Association. Members were recruited from the manufacturers, the sellers, and the consumers of hardwood

A DEPENDABLE SMALL POWER MOWER
The Ideal "Twenty" meets the big demand for a sturdy, practical, moderate priced power mower for medium and small lawns. Well made, ample power for heavy cutting, big capacity—a real labor saver. Thousands of home owners, parks, cemeteries, etc., will welcome the chance to secure one of these guaranteed little labor savers this spring.

Larger Models—With New 1928 Improvements
For large estates, parks, schools, colleges, cemeteries, etc. Ideals are built in 4 sizes—20 in., 22 in., 25 in., and 30 in. The very latest improved models, with new high grade mechanical features, are now available. Every machine fully guaranteed. Write for our new 1928 catalog and prices.

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IDEAL POWER MOWERS

—JOHN HANCOCK SERIES—

LIFE CONSERVATION SERVICE
JOHN HANCOCK
MUTUAL LIFE
INSURANCE COMPANY

"Cure for Some, Relief for Many,
and HOPE for all"

IN connection with the present campaign of education and advice conducted by the National Tuberculosis Association, remember

The three major facts regarding tuberculosis:

It is COMMUNICABLE
It is PREVENTABLE
and
It is CURABLE !

For full information regarding prevention and cure, write the National Tuberculosis Association, 370 Seventh Avenue, New York, N. Y.

JOHN HANCOCK
MUTUAL LIFE INSURANCE COMPANY
OF BOSTON, MASSACHUSETTS

This space is given in support of the
National Tuberculosis Association Campaign

N. Y. **SIXTY-FIFTH YEAR OF BUSINESS**

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lumber. Rules were formulated for uniform grading of lumber, inspectors hired and trained to enforce and interpret the rules, a traffic committee appointed to insure prompt transportation and correct freight charges, and an arbitration committee organized to settle disputes between members without resorting to court action.

Nucleus of National Association

FOR MANY years this comparatively small group worked silently, harmoniously and effectively. With the development of the hardwood forests of the south and southeast, however, and the gradual infiltration of these "foreign" hardwoods into the northwestern markets, the need was felt for a national association. The small band of pioneers in the northwest was recognized as association leaders in the hardwood lumber industry and was the nucleus about which was built the National Hardwood Lumber Association.

Thus the most important function of the locally effective Northwestern Association was taken over by the National. Grading rules most concerned consumers and manufacturers in the association work. Without the common ground of grading rules there was no need of consumers in the Northwestern Association, and they soon withdrew to become members of the National Association. Manufacturers of lumber, selling primarily through wholesalers, saw little need of the local association and gradually withdrew.

This left the Northwestern Hardwood Lumber Association with a relatively small membership composed mainly of wholesalers in the territory surrounding Minneapolis. With the decrease in membership and the performance of practically all its functions by the larger association, there was serious doubt in the minds of many members of the advisability of continuing the Northwestern.

Local Meetings Continued

WISE old heads, foreseeing an age of intense competition, when mutual understanding and good fellowship would be indissoluble partners with profits, decided to continue. They decided to maintain their Board of Arbitration, their Traffic Committee, their monthly meetings when all get together around the luncheon table and forget competitive cares. They decided to continue their annual conventions to which are invited their friends, their customers; interested manufacturers and their sources of supply.

For thirty-nine years meetings have been held on the first Tuesday of every month. For 39 years these men—not always the same, of course—have forgotten their business cares and worries, and talked to each other as friends. Anything under the sun is discussed at these meetings, which are always open to visitors. The market and conditions



When Grant Built a Water Works

In the fall of '63 General Grant's soldiers constructed a water supply system in Chattanooga, Tennessee, as a wartime measure.

Today much of the cast iron pipe laid sixty-four years ago, still in excellent condition, is in use by the City Water Company of Chattanooga, one of our oldest subsidiaries.

In peace as in war, the first need of any community is an abundance of pure water, and almost no property is more enduring than the equipment which supplies it.

An Industry That Never Shuts Down

AMERICAN WATER WORKS AND ELECTRIC COMPANY
INCORPORATED

Smooth fitting grooved joints



-keep these walls true and solid

In erecting a seven-foot Circle A Partition, only two screws are required for each three feet of partition—five screws when sections are ceiling height.

Circle A Partitions do not depend on screws for strength to hold their units together. And so, they do not require from ten to eighteen screws per section.

These solid, Circle A walls fit together with true-fitting tongue and groove joints. Each section fits into the next—each one bracing its neighbor.

With Circle A Partitions, light, telephone and signal wires are concealed. Wiring channels at both sides of each post, and in the cornice look after them. These office walls provide private offices, easily, quickly, inexpensively. Send for our book.

Also Distributors for Churchill Telephone Booths

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658 South 25th Street, Newcastle, Indiana

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CIRCLE

PARTITIONS

SECTIONAL • MOVABLE

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of demand and supply are often a subject of considerable conversation, although price agreements and price fixing has never been attempted.

These competitors hunt together in our Minnesota woods in the fall, they fish together on our lakes in the spring, they play golf in the summer. Each wants business, each sees that he gets his share, but no one tries to hog it all.

The Board of Arbitration has had one case to settle in the last three years. This involved one member and one non-member and was not a dispute between members of the association. The Membership Committee has very little work to do because every available prospect is a member.

The second and third generations are now carrying the brunt of the burden of the association. Only one of the charter members is still active. This is David F. Clark, who, as one of the pioneers back in 1889 formulated many of the rules for grading hardwood lumber, was the first chairman of the Rules Committee of the National Association and served for thirteen years on this committee. He is still active in the hardwood lumber business, attends all meetings of the Association, and is universally recognized as one of the authorities on hardwood lumber grading in the United States today.

This Chamber Means Business

THE ST. LOUIS, Mo., Chamber of Commerce from now on will concentrate all its efforts along modernized business lines for business purposes. All club features will be discontinued including the dining room. The new president will be the chief administrative officer of the chamber. He will be elected by the board of directors and will be empowered to conduct all the organization's affairs, including the appointment of a secretary and the heads of the various bureaus of the chamber. He will be responsible only to the board of directors of which he will be an *ex officio* member without any vote.

Among the various other changes are a realignment of the various bureaus, an enlarged program of activities, selection of new quarters, and organization of a council of affiliated organizations to serve as a clearing house for community activities. The plural membership plan of financing will be dispensed with and the budget or sustaining fund plan will be adopted. The chamber will have a budget of \$250,000.

Model Traffic Regulations Drafted

A TENTATIVE draft of a Model Municipal Traffic Ordinance has been approved by the Committee on Municipal Traffic Ordinances and Regulations and sent to the proper officials in every community in the United States. Copies will also be sent to chambers of commerce, motor clubs and similar organizations. Suggestions and recom-

mendations have been invited, and when these have been received a final draft will be made.

Secretary Hoover, at whose suggestion the National Conference on Street and Highway Traffic was called, pointed out in addressing the Committee that the great tendency of communities to solve their problems through cooperative action, instead of calling upon the government for legislative assistance, is one of the important developments of the present-day American life.

Indirect Insurance Tax Increases

FIGURES show that special insurance taxes are increasing yearly. The total for 1926 was \$79,643,512, an increase of more than 9 per cent over 1925. Of all this amount collected from policyholders only 3.94 per cent was spent as service to them. The remainder, amounting to 96.06 cents out of every dollar, was used as part of a general revenue fund for which the policyholders had already been taxed as citizens.

Indirect taxes on amusements, commodities and the like are familiar, but few policyholders realize that an indirect tax is also being placed upon them through the medium of an insurance tax. Special state insurance taxes, levied indirectly on policyholders only, constitute class legislation and upon policyholders as a class are inequitable, especially upon life policies taken out at an advanced age or upon the higher-priced endowment forms.

Further information may be found in a publication recently issued by the Insurance Department of the National Chamber entitled "Hidden Taxes in Your Premium," which will be sent to those interested upon request.

National Problems Studied

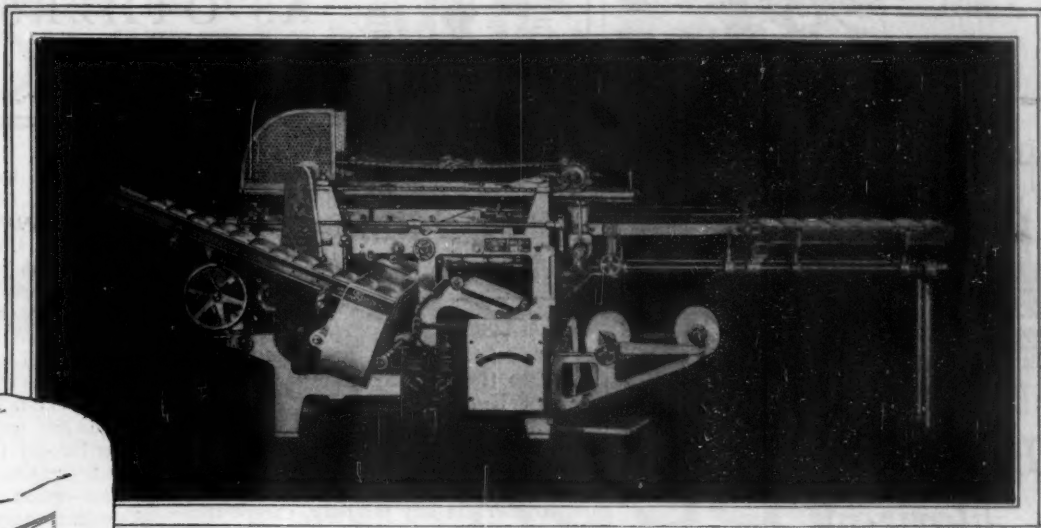
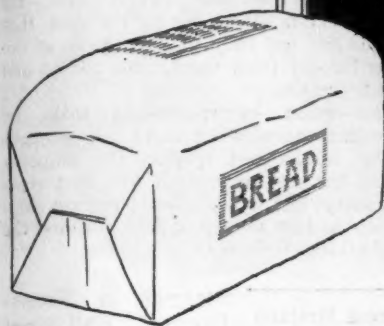
FOLLOWING a proposal endorsed by the National Councilors and the NACOS, a large number of organizations have reported that they have established committees on national legislation under the chairmanship of the National Councilor. Other organizations have various modifications of the plan suitable to their committee structure. A pamphlet, "Committees on National Legislation," explaining the plan, has been prepared by the National Chamber and will be sent to those interested.

Coming Business Conventions

(From Information Available February 1)

Date	City	Organization
March 2-3	Colorado Springs	Mountain States Association of Ice Industries.
3	New York	Associated Leather Goods Manufacturers.
5-8	Chicago	National Railway Appliance Association.
6	Kansas City, Mo.	Western Petroleum Refiners Association.
10-18	Louisville	Society of American Florists and Ornamental Horticulturists.
13-14	Chicago	Health and Accident Underwriters Conference.
15	Philadelphia	Motion Picture Theatre Owners of Eastern Penn., Southern N. J. and Dela.
21	New York	National Association of Waste Material Dealers.
28	New York	Silk Association of America.
28-29	Boston	New England Coal Dealers Association.

Developed from dissatisfaction~



~to do a more economical job

Typical Machines Developed from Dissatisfaction

Standard Cigarette
Fresh Work Cigar
Soft Work Cigar
Cigar Sorting
Stripping & Booking
Milk Bottle Sealing
Standard Breadwrapping
Duplex Wrapping
Wrapping & Sealing
Automatic Sacking Scales
Automatic Net Weighing
Ogden Multiple Duplicating
Genest Fur Felting
Cigar Foiling
Fee Process Filling
& Weighing, etc.

WHEN our parents bought bread one short generation ago, they found these conditions: Uncovered loaves stacked on an open counter . . . piled helter-skelter on dusty shelves. The store cat ambling lazily around, with high-arched back. A none-too-clean clerk wetting thumb and forefinger to separate one sheet of wrapping paper from the pile . . . and later pawing over the loaves with still-moistened digits . . .

Dissatisfaction brought waxed paper. Dissatisfaction prompted the wrapping of each loaf separately at the bakery, not to be opened until it reached the housewife's kitchen. And finally, dissatisfaction produced the AMF Standard Breadwrapping Machine.

For, once the wrapped bread idea struck the public fancy, the demand grew faster than hand-wrapping or semi-automatic machines could supply. Working with the Master Bakers of the country, AMF engineers determined the requirements and promptly supplied the need.



This machine automatically wraps each loaf; cutting the paper after the loaf is wrapped, thus insuring exactly the right amount of paper to make a perfect wrap for each loaf. It is adjustable, so that one model wraps all normal sizes. It is speedy . . . to meet production needs. It is economical to operate . . . in short, it is a true producing partner.

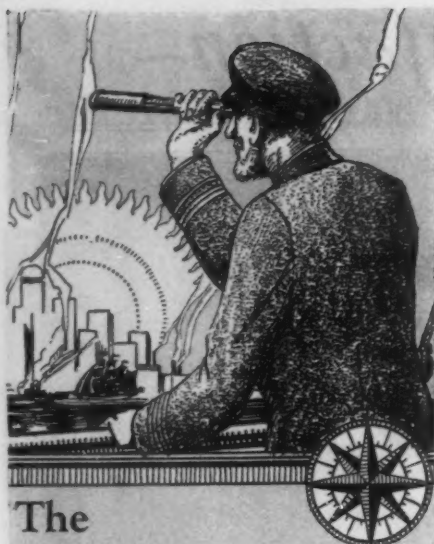
AMERICAN MACHINE & FOUNDRY COMPANY

Sales Office: 511 Fifth Avenue, New York, N. Y.

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Foreign Offices at London, Eng. and Shanghai, China

 **AUTOMATIC MACHINERY** 

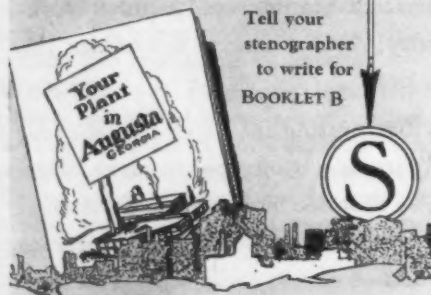


The Business Horizon of the FUTURE

INDUSTRIAL and business opportunity is shifting to the South. Development of natural resources has trebled the buying power here within the last five years—creating new markets and favoring the investment of capital and labor.

Executives who scan the horizon of the future "see the South" looming up larger than any other section. And of the South's industrial commonwealths, none is more favored by location, raw materials, power and labor facilities than the district surrounding Augusta, Georgia.

Whether you are contemplating the South for re-location of your manufacturing plant, or whether you are considering it as a market worthy of a branch plant—let us place in your hands this book of facts on what Augusta offers.



Tell your stenographer to write for BOOKLET B

CHAMBER OF COMMERCE

Augusta

GEORGIA

When writing please mention Nation's Business



OURSELVES AS OTHERS SEE US



What? What? Is Wealth of U. S. Just Big Bluff?

Is THE United States really less prosperous than the rest of the world believes? Rhys J. Davies asks the question in an article in the London *Daily Herald* and then proceeds to answer it in a manner contrary to the popular European conception of Uncle Sam as a bloated plutocrat. In his opinion—

There are no statistics in America to guide one on any question concerning unemployment in any industry, except those that are totally unreliable. It is strange, therefore, to listen to Americans all over this vast continent—at any rate from New York to St. Louis, in the Middle West—glorying in the fact that they are "not as others are in the Continent of Europe."

If, however, you ask any responsible man engaged in industry or business, he will tell you frankly that things are not what they seem on the surface. He will say that American prosperity is now a myth.

There are plenty of dollars about, in spite of it all. America is a land of milk and money—but more milk at the moment that the other commodity, for the majority have been proceeding for months in the mines of Pennsylvania and Colorado, with the usual shootings down west. Those that are doing well are making money quite easily still.

The outstanding feature of life in the States at the moment is the tremendous admiration on all hands of the British Labor Party.

By all friends of peace and good-will it is heralded as the one big factor in better world relationships. Why they do not follow suit and go and do likewise here is a puzzle to any visitor who has endeavored to find out what the Republican and Democratic parties do really stand for in American politics.

Shipping Board Operation Seen as Extravagant

THE DIFFICULTIES of the United States Shipping Board are regarded with interest by English observers. The *Shipping World*, London, warns this country against the expensive experiment of government ownership and control, citing the disastrous experiences of other countries that have tried the plan. Of President Coolidge's remarks on naval policy this magazine says:

We would commend this condemnation of nationalized shipping to our own Socialists. The experience of the United States has been similar to that of Australia, Canada, and France. The Senate in Paris has been busy lately in clearing up the mess in which the state shipping involved the taxpayers of France. The bal-

ance sheet has worked out as follows: Cost price, 1,434,000,000 fr.; proceeds of sales, 333,590,000 fr.; difference, 1,100,410,000 fr. M. Chelon, the rapporteur, pointed out that it was difficult to estimate the real loss because most of the ships were bought when the franc was at par, and the sale took place when the franc had lost half its value, and payments were, moreover, spread over several years. He also directed attention to the fact that France had not fully paid the price of the ships bought from the United States and Great Britain.

The point in connection with the American state-owned ships which ought to be emphasized is that the Shipping Board has not only itself lost vast sums of money, but it has caused private ship-owners to lose money and has injured the shipbuilding industry.

Great Britain Painted Victim of Wall Street

SHADES OF Thomas Lawson! Wall Street and all its activities come in for a thorough roasting in an article, "Britain, Uncle Sam's Other Island," published in the London *Illustrated Sunday Herald*. Just what caused the writer to arrive at his conclusions is ambiguous.

After complimenting "this polyglot and squabbling people" for playing "a major part in the achievement of victory" in the World War, thereby tossing a sop, as it were, to American pride, the writer declares that:

The United States State Department is now the tool of international finance, and the British Empire may yet be its chief victim. Wall Street has subverted to its own use and ends all the doctrines dear to the hearts of the American people; with bold and cynical effrontery it is expressing itself in world politics through the "Monroe Doctrine," the "Big Sister" policy, and the Open Door. It designed the Dawes plan and the hundred attendant forms that lead to political regulation. And, finally, it adopted the great Pan-American plan to dismember the British Empire and to secure world domination.

Briton Believes American Navy Might Be Friend

NOT ALL British periodicals scent hostility in the expansion policy of the American Navy. The *Saturday Review*, London, takes a philosophical view of the situation, commenting:

Provided that there is warm friendship between the two countries and a certain habit of cooperation in international problems, a few cruisers are neither here nor there. Indeed, if America chooses to spend larger sums on her navy than we

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No expensive waiting when you decide on a Blaw-Knox Building—no designing—no fussing about details. Undivided responsibility in the hands of Blaw-Knox and quick shipments from stock.

Blaw-Knox Standard Steel Buildings are erected upon a standard steel frame from pre-designed, copper-bearing steel parts fabricated in quantity and carried in stock. Innumerable combinations make available almost every type of building required by industry.

Erection, even of large Blaw-Knox Factory Buildings, is easily accomplished with unskilled labor under supervision or by Blaw-Knox skilled erectors.

Records show many Blaw-Knox Buildings shipped, erected and ready for service within three weeks after receipt of order.

SEND FOR THE BUILDING CATALOG TODAY AND NOTE THE NATIONALLY KNOWN COMPANIES WHO HAVE REPEATEDLY ADDED TO THEIR OWNERSHIP OF BLAW-KNOX BUILDINGS. ASK OUR NEAREST DISTRICT OFFICE FOR FORM 992.

BLAW-KNOX COMPANY

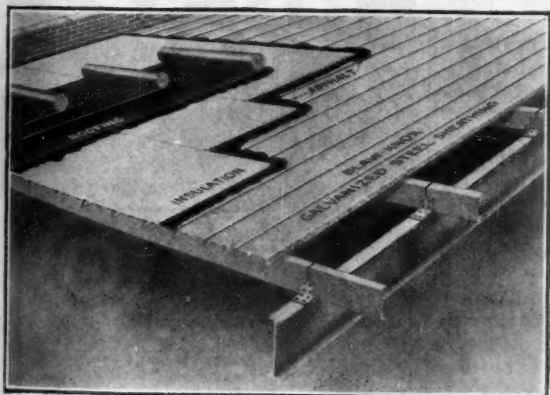
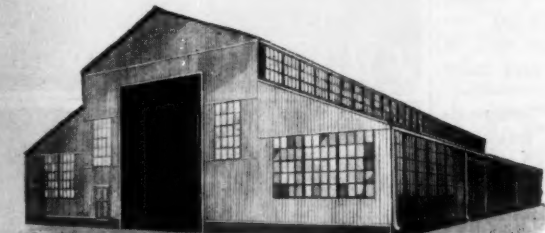
632 Farmers Bank Building
Pittsburgh, Pa.

CHICAGO
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DETROIT
BALTIMORE
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Export Division
Milliken Bros.-Blaw Knox Corp.
342 Madison Avenue, New York City



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An extremely strong, non-corrosive, unshrinkable, light-weight steel supporting surface for fabricated roofings. Replaces gypsum, concrete and wood. Firesafe and economical. Complete data on request.

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Before It Prints**

New convenience and wonderful
value in *standardized Model 41*
At leading stationery, rubber
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Prints: Cons., Duplicate or Repeat
numbering to 999,999 ***12**

654321
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AMERICAN NUMBERING MACHINE CO., Brooklyn, N. Y.

Please send us for 10 Days' Free Trial

☐ Model 41 Visible Numbering Machine, \$12.
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Address.....
City..... State..... N. B. 3

*If they Cost You
as Much as they
Save You—they would
find Place with
the Most Costly
of Jewels*



(They automatically
count movements,
articles, operations
etc.)

Ask for our
text book "Counterology"
THE ROOT CO.
203 SCHAFFRICK ST.
BRISTOL, CONN.

ROOT COUNTERS

can comfortably afford, we ought rather to be pleased.

It is a departmental view that our navy should be at least equal to that of America, and on a perfectly cool and dispassionate consideration of our national interest, the more she builds the more we ought to be pleased, for the excess places at the service of our common interests in time of danger an increase of sea-power for which someone else has paid. That, we say, is the realistic and practical view.

The important thing is not that America should not spend more than we do, but that the interests which both our navies are likely to be called on to support should be interests that we both have in common.

Now in Course of Human Events History Repeats

Now COMES G. K. Chesterton, complaining that the United States is oppressing Great Britain, and calling upon every loyal patriot to rise in his strength and issue a Declaration of Independence of Uncle Sam, just as the Colonies declared themselves free of English rule in 1776. One can almost hear Mr. Chesterton's clarion notes ringing out in—

The time has come for our nation to issue a Declaration of Independence, announcing to the whole world that it is no longer one of the States of the American Union. We, the People, as it is said in the old Declaration, feel that "a decent respect for the opinion of mankind" requires a defence of our secession and of our claims to national identity and independence.

To some this language may seem almost to savour of exaggeration, but it is, historically considered, rather an understatement. Supposing that it had been possible, not only for George Washington to defeat George III, with the assistance of French ships and soldiers, but also, with the same assistance, for him actually to invade and conquer the mother country, and add it as the tenth Star and State, or whatever the number might be.

Even to the warmest Whigs and American sympathizers that would have been an ignominious and intolerable position. But it would have been much more dignified and hopeful than the present position. It would have meant the victory of many hopes and high ideals even among ourselves. We might almost say that it would have been the victory of the enlightened English gentleman over the benighted English gentleman. It would have been the victory of many things much more valuable than gentlemen, free and equal; of all the noblest ideas of that age.

But we have allowed our national life to be invaded and overthrown by things which are not the noblest ideas of our age; which are not noble ideas at all; which are not ideas at all. The new American power is in money, and mere money and nothing else but money. It may well be questioned if it is fair to say that the American worships the dollar. The trouble is that the world worships the American dollar.

There are still just ideas at the back of American democracy; only they are rather far back. There are any number of nice and normal people in America; being normal, they stay in America. But the Ameri-

For Beautiful Lawns and Luxuriant Turf—

THE Toro Park Special represents a distinct improvement over the older type of power lawn mowers. Perfectly balanced, with extreme ease of operation and every working part accessible and easily understood, it sets a new standard in the power lawn mower field.

Illustrated catalog will be sent on request. Over 2000 Private Estates and Country Clubs are regular users of TORO Grass Cutting and Maintenance Equipment. Ask the Greenskeeper at your club.

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Minneapolis, Minn.
Agencies and service
stations conveniently
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the larger distribu-
tion centers.



TORO Park Special

Clean with



DO your Spring plant
cleaning with Oakite!
Brighten up painted walls
and other surfaces; clean
dingy windows; remove ac-
cumulations of dirt, oil and
grease from your floors.
Oakite handles these jobs
effectively, economically.
Saves time—conserves
effort. Write for booklets.

Oakite Service Men, cleaning
specialists, are located in the
leading industrial centers of
the United States and Canada.

Oakite is manufactured only by
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OAKITE

Industrial Cleaning Materials and Methods

can power exercised outside America is entirely and solely the power of money and has nothing whatever to do with the original ideals of the nation. We are not being influenced by a young democracy but an already aged plutocracy.

It was not the truthful George Washington, with his little hatchet, who conquered England; it was his degenerate descendants with much larger and less decent axes to grind. The invasion is more invisible and subtle, of course, than an invasion of better men. There is naturally a more refined reticence over a man bribing his way than a man battling his way.

But it is none the less certain that by such economic pressure the lives of nations may be lost, and that ours stands in far deadlier peril than any other. First, because we have been taught by fools to patronize the Americans as children, instead of respecting them as foreigners. And, second, because we have neglected our own nationality, even in talking about our empire.

If George Washington had conquered us, we should have fought and plotted and produced heroes and martyrs for a hundred years, till we won back our freedom like Ireland or Poland. Then our normal things would have felt as national things. Nobody would dare to destroy an English inn or an English road or the English hedges, still less to muddle and mutilate the noble English language.

What's in a Name?

TELEPHONES, gas and electric meters, motor licenses, speedometers and all, we work and play, earn and pay by numbers, and make no violent objection to this rule of rote. It is only when system bleaches out the bright colors of personality that regret is said, as when numbers displace the names of national highways. For Kentuckians, at least, names have souls, and naturally enough, the *Herald* of Lexington questions the apparent trend toward numbers with saying that

the traveler may shed tears as he drives down the shady vista of the Lincoln Highway, or dream dreams as he speeds over a sunlit path on the Jefferson Highway, or see noble visions as he speeds across an unfolding ribbon that bears the name of Woodrow Wilson. But how in the world can a man get a kick out of 46 or 55 or 33 or 21?

And good precedent the *Herald* had for its concern. Wasn't it "Marse Henry" Watterson himself who fought to preserve the distinction of Camp Zachary Taylor? There were Taylors and Taylors, he said, but only one Zachary Taylor. For him the camp was named, and by the eternal, the full name would stick or "Marse Henry" would know the reason why.

Congress is likely to hear more soon of this sentiment for names, for the United States Good Roads Association, meeting in Savannah, adopted a resolution urging their restoration. As the Kentuckians seem to put it, if the official bureaus must be highwaymen, let them take something besides our good roads names.

2 plants, 70 miles apart, kept in constant communication by this TELEGRAPHING TYPEWRITER



THE OHIO STEEL FOUNDRY COMPANY maintains constant communication between its plants at Lima and Springfield, Ohio, by means of Teletype... the Telegraphing Typewriter.

This device, which operates like an ordinary typewriter, transmits information in type-written form at telegraphic speed. So accurate is Teletype that the Ohio Steel Foundry Company even uses it for sending formulae, analyses and intricate specifications.

Dr. D. R. Carpenter, secretary of the company, says that Teletype often saves a day in making shipments. And that it more than repays its cost by time saving and closer management control.

TELETYPE'S MESSAGES ARE RECEIVED IN THIS TYPE

Teletype legibly prints its messages on the ordinary typewriter page or on forms. Therefore it is virtually impossible to misread a Teletype communication.

One sending machine will transmit messages to 1 or 100 remote spots simultaneously. Thus orders and other instructions can be broadcast to every corner of your plant at the rate of 60 words per minute.

Teletype service is not expensive, and will pay for itself again and again by eliminating errors, doing away with messengers and speeding up production.

Teletype is used by industrial organizations, telegraph and cable companies, press associations and railroads. Without obligation, permit us to demonstrate how Teletype can save time and money for you.

TELETYPE
THE TELEGRAPHING
TYPEWRITER

PIN to your letterhead

For further information, sign this coupon, pin to your letterhead and mail to Morkrum-Kleinschmidt Corporation, 1410 Wrightwood Avenue, Chicago.

Your name.....

N. B. 5-25

Now You Can Get Action

Without Waiting on the Printer with MULTISTAMP

The most modern and complete office printing plant known



Write for Catalog and Samples of Work

The quickest, easiest, simplest—most economical known means of duplicating letters, post-cards, notices, forms, etc. Type—handwritten or draw on a dry stencil—attach it to MULTISTAMP—print perfect copies on paper, wood, metal, cloth—any smooth surface—40 to 60 a minute—right at your desk.

MULTISTAMP is made in three sizes—letter, post-card and rubber-stamp

It is built to do service and pay dividends in time and money saving. GUARANTEED. More than one hundred thousand now serving all kinds of business throughout the world.

No. 1 Outfit—With complete Equipment, including 25 Stencils, Ink, Stylus Pen, etc. Unequalled for addressing shipping tags and labels. (F. O. B. factory—weight 1 lb.) . \$7.50

No. 5 Outfit—Letter size, with complete equipment, including Black Enameled Container, 24 Stencils, Ink, Stylus Pen, etc. (F. O. B. factory—weight 5 lbs.) . \$25

No. 3 Outfit—With complete Equipment, including Black Enameled Container, 24 Stencils, Ink, Stylus Pen, etc. (F. O. B. factory—weight 3 lbs.) . \$15

No. 6 Outfit—Consisting of all three sizes, with supplies, packed in handsome Steel Baked Enamel Finish Case. The most complete office printing plant known. (F. O. B. factory—weight 20 lbs.) . \$50

THE MULTISTAMP CO., Inc.

Norfolk, Va., U. S. A. — Agents and dealers in principal cities



"Sticking" Stamps by hand Wastes Time

The Multipost saves time in affixing stamps. Accomplishes 5 hand operations in one split-second stroke of its plunger.

Saves stamps, as well. Keeps them in rolls, in one safe place. Prevents loss and spoilage. Automatically counts each one used. Makes accounting for stamps practicable. Discourages misuse. Also, clean, orderly, systematic.

MULTIPOST

STAMP AFFIXER AND RECORDER



Used in over 100,000 offices. Needed in every office. Representatives in all principal cities.

free trial

in your own office will prove its economies.

Mail this Coupon

Multipost Co. Dept. D Rochester, N.Y.

- ☐ Send Multipost on free trial or
☐ Send Booklet on economies in stamp handling and control.

Name _____

Firm _____

Address _____

Now Ready!

The 1927 NATION'S BUSINESS Index

A copy will be sent you
free for the asking

When writing please mention Nation's Business

The Washington Spectator

By LEO A. BORAH



HOME baking is rapidly becoming a lost art in the United States, the Federal Trade Commission discloses in the report of its investigation of the bread and flour industry sent to the Senate January 11. The growth of commercial baking has been such in the last few years that today virtually half the bread consumed in the country is purchased from the bakery.

The average price paid by the American family for a pound loaf of bread in a recent three-year period was 8.55 cents. Of this amount the baker received 5.11 cents, the grocer 1.28 cents, the railroads and other handlers 0.60 cents, the miller, 0.41 cents, and the farmer 1.15 cents. A comparison of bread costs in different cities reveal nevertheless that flour costs are the dominant factor and that they are influenced by the location of the city and freight rates.

One-half of the commercial bread, or one-fourth of the total consumed, is probably produced and sold by a comparatively few companies. Fifty-seven companies operating 278 bakery plants manufactured thirty per cent of the commercial bread in 1925.

The Ward, General, and Continental corporations conduct about 150 baking establishments, with an output of almost twenty per cent of the total commercial bread production of the United States. Another consolidation controls more than thirty bakeries. Three consolidations, said to have had close corporate connections, attempted organization of a super-combination or holding company. All available data indicate a trend toward consolidation in the baking business.

But competition was keen, particu-

larly in some localities. Price-cutting wars occurred in several cities, with resultant price-fixing agreements. Where restraining influences on competition prevailed, indications frequently pointed to activities of national, district, or local associations or clubs. These associations are prominent in price-fixing activities, the Commission points out.

The report is divided into three parts, one covering the bread industry, another

the flour industry, and the third wheat handlers' margins. The distribution of consumers' price of bread is treated with respect to the margins of all handlers. Illustrating these subjects are many charts and tables prepared by the Commission's economic division. Mimeographed copies of the report may be obtained from the Commission.

REPORTS of investigations by the Federal Trade Commission of the bread and flour industry and of the electrical equipment industry are summarized here.

Chairman Humphrey suggests a remedy for the fake advertising evil.

Several cases of misleading advertising are settled.

The Dead Letter Office receives more than a million dollars' worth of advertising letters.

The Supreme Court strikes a death blow at "endless chain" selling.

A REPORT on "The Supply of Electrical

Equipment and Competitive Conditions" was submitted to the Senate by the Federal Trade Commission January 12. As the second and concluding part of the report made in response to Senate Resolution 329, Sixty-eighth Congress, Second Session. The first volume, "Control of Power Companies," was submitted February 21, 1927.

The report shows that the General Electric Company has been for many years the largest manufacturer of power plant machinery and equipment in the United States. Its value of sales billed increased from \$16,000,000 in 1893 to nearly \$327,000,000 in 1926. Its investment, about \$51,000,000 in 1893, had increased to nearly \$382,000,000 in 1926; and its net earnings had advanced during the same period from less than

Left: The cover and first page of a Jenkins 1886 catalog.

JENKINS BROS.

See reduced Price List of JENKINS' DISCS, Page 27

A FAIR OFFER.

IF YOU PUT A JENKINS BROS. VALVE

IN THE

WORST PLACE YOU CAN FIND, where you cannot keep other Valves tight, and if it does not hold steam, oils, acids, water or other fluids tighter or longer than any other Valve

You may return it and your Money will be Refunded.

USE THE JENKINS' STANDARD PACKING

In the worst joint you have, and if, after following directions, it is not what we claim,

WE WILL REFUND THE MONEY.

See reduced Price List of JENKINS' DISCS, Page 27.

"Where you cannot keep other valves tight"

The Jenkins fair offer says: "If you will put a Jenkins Valve on the worst place you can find, where you cannot keep other valves tight, and if it is not perfectly tight, or does not hold steam, oils, acids, water or other fluids longer than any valve, you may return it, and your money will be refunded."

Jenkins service may be obtained only from Valves marked with the Jenkins Diamond and signature. Be sure you see this mark.

JENKINS BROS.

133 No. Seventh Street, Philadelphia, Pa.
524 Atlantic Avenue, Boston, Mass.
646 Washington Boulevard, Chicago, Ill.
Jenkins Bros., Limited, London, England

marked with the "Diamond"
Jenkins Valves
SINCE 1864

This offer, made years ago, stands today!

HERE are two advertisements of Jenkins Valves. One was published in 1886, the other in this year.

The two are widely different in appearance, yet one paragraph of the text appears in both. It is the Jenkins fair offer, which reads as follows:

"If you will put a Jenkins Valve on the worse place you can find, where you cannot keep other valves tight, and if it is not perfectly tight, or does not hold steam, oils, acids, water or other fluids, longer than any other valve, you may return it and your money will be refunded."

This offer stands back of every Jenkins Valve today as it did years ago. The very fact that such a fair offer can be made over so great a period of years indicates strongly-built valves made for trouble-free service. And with just this kind of valves the Jenkins name has been associated since 1864.

The Jenkins "Diamond" mark identifies a valve which is made of analyses-proved metal, designed to provide strength in every detail, and given a wide margin test at the Jenkins factory.

Jenkins Valves are made of bronze and iron, in standard, medium and extra heavy patterns, in globe, angle, cross, check, Y, gate and other types—obtainable through supply houses everywhere.

JENKINS BROS.

80 White Street, New York, N. Y. 133 North Seventh Street, Philadelphia, Pa.
524 Atlantic Avenue, Boston, Mass. 646 Washington Boulevard, Chicago, Ill.
JENKINS BROS., Limited, Montreal, Canada; London, England
Factories: Bridgeport, Conn.; Elizabeth, N. J.; Montreal, Canada

Always marked with the "Diamond"
Jenkins Valves
SINCE 1864



Fig. 352
Jenkins Standard Bronze
Swing Check Valve,
screwed

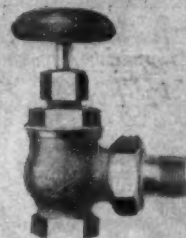


Fig. 853
Jenkins Low Bonnet
Radiator Angle Valve,
with male union

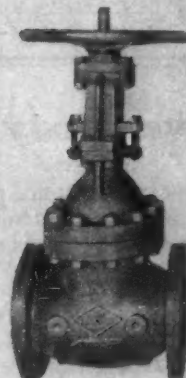
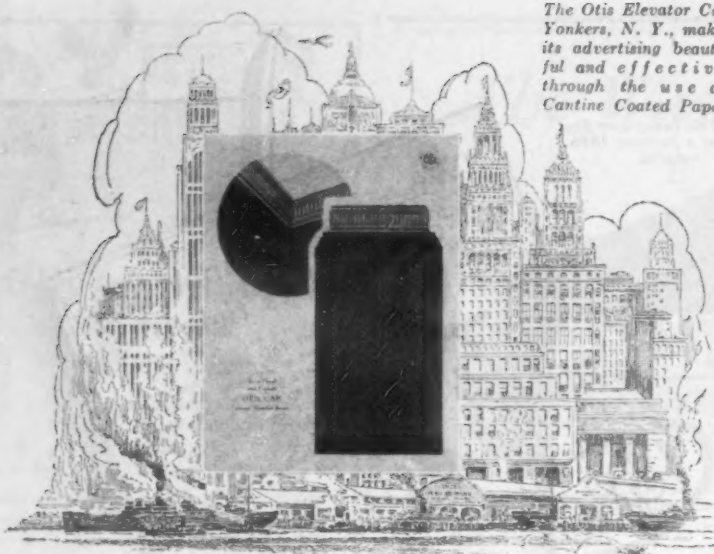


Fig. 204
Jenkins Extra Heavy Iron
Body Gate Valve, flanged,
with Outside Screw and
Yoke, Rising Spindle



The Otis Elevator Co.,
Yonkers, N. Y., makes
its advertising beautiful
and effective
through the use of
Cantine Coated Paper.

Even in machinery—

Beauty is a decisive selling factor

SALES today depend on Beauty. Not only in cosmetics, cloaks, jewelry, household furnishings and such, but in machinery itself, where Efficiency used to be the only requirement. Witness automobiles, vacuum cleaners, boilers, elevators. Those that are widely, increasingly, profitably sold—if they lack beauty in themselves, have it at least in the atmosphere that has been created around them by beautiful advertising.

Beauty in advertising begins with the foundation, which is Paper. You will make no mistake if you specify CANTINE'S COATED PAPERS for all printed matter that will be seen by customers. These papers are beautiful in themselves and show color plates, halftones and typography to utmost advantage. Periodicals that give readers and advertisers the advantages of coated paper deserve special consideration in advertising plans.

You can obtain full information about (and also samples of) Coated Papers for all printing requirements, together with the addresses of CANTINE distributors, by writing in care of our Dept. 466.

This company has been devoted exclusively to the coating of papers since 1888. Its products are regarded as the highest achievement in the art of paper coating.

THE MARTIN CANTINE COMPANY
SAUGERTIES, NEW YORK [New York Office, 501 Fifth Avenue]

Cantine's **COATED PAPERS**

CANFOLD

ASHOKAN

ESOPUS

VELVETONE

LITHO C.I.S.

Everybody Loses When Timber Burns

ADEQUATE forest-fire prevention is a business necessity. Without it there is little hope of perpetually supplying our wood needs or of bringing back into production large areas of potentially productive forest lands.

Chambers of commerce and protective associations are playing an important part in developing systems to control forest fires. Their activities are outlined and described in "Organizing Communities for Forest Fire Control," a new 36-page pamphlet just published by the Natural Resources Production Department of the United States Chamber of Commerce.

Copies of this pamphlet may be obtained at 25 cents each

NATURAL RESOURCES PRODUCTION DEPARTMENT
United States Chamber of Commerce - - Washington, D. C.

When writing to THE MARTIN CANTINE COMPANY please mention Nation's Business

\$3,000,000 to more than \$59,000,000.

For the more important units of electric power equipment, the General Electric Company's proportion for the census years 1919, 1921 and 1923 represents from 46.9 to 51.6 per cent of the value of all generators; from 52.2 to 58.3 per cent of the transformers; from 34.2 to 42 per cent of the motors; and from 32 to 45.1 per cent of the control apparatus.

These percentages measure roughly, the Commission states, the importance of the General Electric Company as a producer of the heavier power equipment. The largest companies before 1925 were the General Electric Company, the Westinghouse Electric and Manufacturing Company, and the Allis-Chalmers Manufacturing Company. In 1925 the American Brown Boveri Electric Corporation became the fourth of the group.

The rate of profit for the General Electric Company from 1922 to 1926, before deducting federal income taxes, ranged from 11.2 per cent to 16.2 per cent. Excluding outside investments, and considering only earnings on investment in the electric manufacturing business, the rates of return for the same period ranged from 14.3 per cent to 22.8 per cent. The average rate of return for 79 other companies in 1924 was 9.6 per cent as compared with 15.1 per cent for the General Electric Company, though some of these companies individually had higher rates of return than General Electric.

Some small manufacturers state that although the large companies undoubtedly have the power to crush them by price competition, this power has not been used in recent years. There are some products, such as fractional horsepower motors, however, that are produced by the large companies at price levels at which small companies are unable to compete. Many small manufacturers regard rival small companies as their sharpest price competitors.

The report probably will be printed for distribution. Inquiries should be addressed to the Federal Trade Commission, Washington, D. C.

CHAIRMAN W. E. Humphrey of the Federal Trade Commission addressed the Fourteenth Annual Meeting of the Association of American Colleges, January 14, at Atlantic City. After commending the Trade Practice Conference of correspondence schools and the code of ethics evolved at the meeting, he said:

There are but few of the correspondence schools that have not voluntarily subscribed to this code and observed its provisions. The Commission has dismissed more than fifty complaints that had already been filed against these various schools. The few schools that still continue to swindle and rob the ignorant and credulous—that refuse to follow the code adopted by the great majority of the industry will be vigorously prosecuted until they stop these dishonest

practices or are put entirely out of business.

Of the practice of false and misleading advertising generally he said:

I have reached the conclusion that there is an effective and direct remedy. Proceed directly against the publisher. When we proceed against a magazine, or newspaper, those concerns cannot quit business as soon as a complaint is served upon them. With them it becomes a serious business—they must appear and defend the action. They cannot disappear overnight.

By one action against a magazine we can more effectually throttle fifty fakers than we could possibly do by fifty separate cases against each of the principals.

CASES considered by the Federal Trade Commission in January were comparatively few. Some were settled by stipulation, the respondents agreeing to discontinue alleged unethical practices.

A company manufacturing wall boards advertised that the United States Government had used its products exclusively for buildings in France in 1917 because they were cheaper, stronger, more sanitary and more waterproof than other makes. The Commission established that the Government had never either adopted or used this company's wallboards exclusively. Upon agreeing to discontinue the misleading advertising, the company was given the benefit of stipulation proceedings (Stipulation 107).

In Stipulation 108 a seller of hardware agreed to cease advertising as "solid steel," "cast steel," "semi-steel," or "converted steel" products made of materials other than steel.

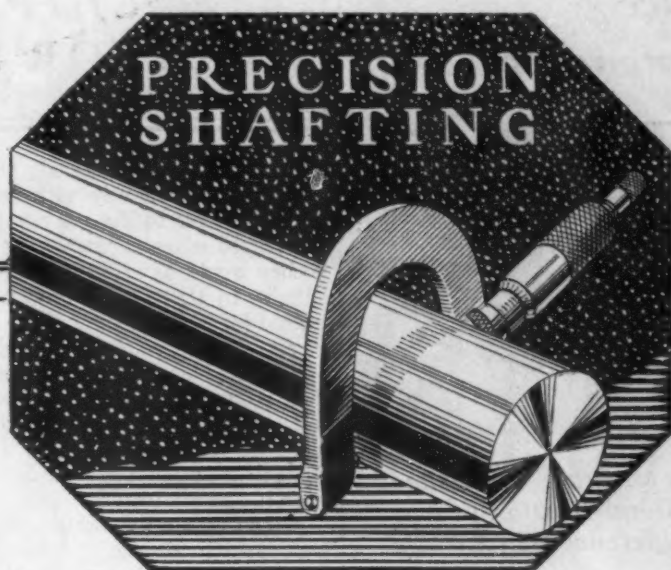
ADVERTISERS last year sent 12,688,000 letters, pamphlets and circulars to the Dead Letter Office. Obsolete mailing lists and envelopes without return addresses are the reason for this loss of more than a million dollars in paper and postage alone. One large firm sent out 50,000 letters, which, because they were sealed in envelopes and sent to antiquated addresses, arrived at the Dead Letter Office, occasioning a loss to the company of \$2,500.

THE "endless chain" method of selling through the mails has been dealt a blow by the Supreme Court of the United States, which has denied the application of a sales corporation for a writ of certiorari to review the decision of the Court of Appeals of the District of Columbia sustaining a "fraud order" against the corporation by the Post Office Department.

The "endless chain" scheme extended to the prospective purchaser the hope of getting \$10 worth of hosiery for one dollar. Each venturer was required to purchase four one-dollar "coupons."

But before any one, even up to the fifteenth link in the chain, could win the \$10 prize, 1,549,681,956 additional investors would have been enlisted.

USE THE RIGHT STEEL FOR THE RIGHT PURPOSE



True to Round *Accurate*
to Size and Straightness

UNION Precision Shafting is a product of utmost dependability—manufactured under the trained hands and eyes of the highest skilled craftsmen in steel making. It meets the most exacting requirements of smooth machinery operation where even a slight warp or distortion might produce costly inefficiency.

UNION DRAWN STEEL CO.—Beaver Falls, Pa.

UNION  DRAWN
STEELS

Reduce Maintenance Costs

Spray-Paint
Your
Business
Property



Paint by Machine—Save the
Cost of Hand-Brushing
—The Difference Will Surprise
You

IT pays to own your own spray-painting outfit. One of your men can quickly learn to cover 1000 square feet and over per hour with the easy-to-operate Binks Spray Gun. Once you own a Binks Spray Painting Outfit, your entire business establishment may be frequently refinished both inside and out at a low cost. You will protect your property investment for all time.

Owners of factory and private buildings, hotels, hospitals, schools;—builders, contractors, etc., are finding the Binks Spray Painting Outfit the paying investment in their maintenance departments.

Here is a one-time investment that will pay for itself at the start and save you 60% to 80% of your painting costs for years to come. Further interesting details will be cheerfully mailed upon request. Write today.

BINKS SPRAY EQUIPMENT CO.
Dept. C, 3128 Carroll Ave., Chicago
Offices in Principal Cities



One of many factories
spray-painted with
Binks Equipment.

For Product Finishing

Complete Equipment for applying Quality Finishes on manufactured products. Tell us what your finishing problems are; our engineers will help you solve them. Write for Bulletins.

When writing please mention Nation's Business

CHIPS FROM THE EDITOR'S WORK BENCH



IT MUST BE that Lady Os-sulton has a way with her. The offer to do away with the frayed edges of men's collars if they would have them washed at her laundry in Mayfair has brought a counter bid for business from collar manufacturers. They now offer free replacements of collars as fast as they wear out. Their plan requires that collars be bought directly from them and returned to them when in need of washing. The usual charge for laundering is made. Therein is their source of profit.

Precedent for this arrangement is not far to seek in Britain. Makers of safety razors have found it profitable to give away razors and charge for the blades. Judgment of the plan's effectiveness must wait on practice, of course. In advance of test, it does promise to show whether it is the first cost or the upkeep that really collars us.

NO MATTER that Don Quixote did not know his windmills. Science is seeing to it that these workaday whirligigs are news of a more useful sort. At the Army aeronautics laboratory in Dayton, E. N. Fales and H. R. Stuart have found it possible to design a propeller-type, high-speed windmill which can compete with gasoline motors in operating farm lighting plants.

Design of the old types of blades was improved through application of the principles of aerodynamics. New type wheels have blades which are streamline in cross section, like those of an airplane propeller. Their rotating speed is six to ten times that of some of the older types.

Originally borrowed from agriculture for adaptation to a new art, the windmill has been returned to use, improved and scientifically refined. It is plain that here is a farm loan which is being repaid with interest not bound by the legal percentage.

HOW to protect the community slogan is made easier with the establishment of a slogan clearing house at Little Rock. When fame as "The Rose City" is sought by three other cities, distinction is likely to be lost in the plurality of claims. So thought members of the Bott Advertising Agency.

That realization was decisive in providing facilities for the registration of slogans. Now, when a city conjures up a crisp catch line for national circulation, its descriptive alias can be made a matter of convincing record. Useful precedent for this service is found in the registration by *Printer's Ink* of the slogans of commercial advertisers. The

similar service freely offered by the advertising agency invites belief that it will help to clarify claims and to avoid duplications. A good slogan, like a city's good name, ought to be thought worth protection.

COFFEE gives a wisdom to the politician, so Pope wrote, that enables him to see all things through half shut eyes. But those blurred visions would seem to have no useful application to the buying of coffee, for the New York Coffee and Sugar Exchange has employed an official "taster" to determine what coffees are suitable for the American market.

By his "cup tests" the members hope to provide for hedging against contracts requiring Brazilian coffees. March contracts for Santos delivery, a report shows, were made on the "cup test" basis at an average premium of 6.84 cents against a premium of 13.78 cents on contracts made on the old basis.

Here is an innovation to revise the proverb. Now, there is likely to be many a sip between the "taster's" cup and the consumer's lip.

FOR twenty-two years Reuben H. Donnelley of Chicago, whose picture we published last month, looked for the creditors of his bankrupt brokerage company. On New Year's Day, 1928, he wiped the slate clean of debt. In that plain fact is the triumph of an unflagging zealotry in behalf of honesty.

It was in 1905 that the New York brokerage business managed by Mr. Donnelley and his partners failed for more than \$300,000. Settlement with the creditors was made by the firm's receiver for 27 cents on the dollar. By that adjustment law and ethics were satisfied. But Mr. Donnelley was not content.

When he inherited his father's printing business in Chicago he set himself to expand it. He prospered. In a few years the profits from his companies, the Reuben Donnelley Corporation and R. R. Donnelley & Sons, gave him more than enough to pay in full all the creditors of the bankrupt brokerage company. But there were obstacles to tracing them. Many were dead. He hunted up their heirs. Most of the surviving creditors had moved. He traced them from one address to another until they were located. This search required months of investigation and correspondence. When he had the needed information, he mailed out checks amounting in all to \$645,000—for he paid not only the

«[LITTLE DRAMAS IN THE LIFE OF A GREAT NEWSPAPER SYSTEM]»



PAINTED FOR SCRIPPS-HOWARD NEWSPAPERS BY JAMES MONTGOMERY FLAGG

Public opinion marched to jail with the editor who told the truth

A fine old city of the South was in the dark shadows of a shady administration. Corruption was so bad that it had debauched even the judiciary . . . with the result that a judge had been impeached.

In the midst of a judicial election, the city's SCRIPPS-HOWARD Newspaper reviewed all the ugly facts, pleading with the voters to at least cut the fetters throttling the justice of the bench.

Promptly the editor was cited for contempt of court. He was given the

alternative of printing an apology or serving a ten-day jail term.

He chose to stand by his facts. And the public stood by him . . . so heartily that he was escorted to jail by a band and a long parade of cheering citizens.

During his ten-day sentence, he was visited by thousands of his townsmen, who brought gifts of food, tobacco and other comforts. And upon his release, one of the biggest mass meetings in the city's history was held in his honor.

The SCRIPPS-HOWARD editor is able to stand by his guns under any fire, because he has no boss save public interest. Owned from within, and free of all entangling alliances, SCRIPPS-HOWARD Newspapers recognize but one taskmaster . . . the public welfare.

The resulting reader-confidence makes the columns of these newspapers a power to be reckoned with in their several communities . . . both for the welfare of the citizen and the profit of the advertiser.

NEW YORK . *Telegram* SAN FRANCISCO . *News* DENVER . *Rocky Mt. News*
CLEVELAND . . . *Press* WASHINGTON . *News* DENVER . *Evening News*
BALTIMORE . . . *Post* CINCINNATI . . . *Post* TOLEDO . . . *News-Bea*
PITTSBURGH . . . *Press* INDIANAPOLIS . *Times* COLUMBUS . . . *Citizen*
COVINGTON . . . *Kentucky Post*—*Kentucky Edition of Cincinnati Post*

SCRIPPS-HOWARD
MEMBERS OF THE AUDIT BUREAU OF CIRCULATIONS



AKRON . . . *Times-Press* YOUNGSTOWN . *Telegram* KNOXVILLE . *News-Sentinel*
BIRMINGHAM . . . *Post* FORT WORTH . . . *Press* EL PASO *Post*
MEMPHIS . *Press-Scimitar* OKLAHOMA CITY . *News* SAN DIEGO *Sun*
HOUSTON *Press* EVANSVILLE *Press* TERRE HAUTE . . . *Post*
ALBUQUERQUE . . . *New Mexico State Tribune*

NEWSPAPERS
AND MEMBERS OF THE UNITED PRESS

NATIONAL ADVERTISING DEPARTMENT

Stuart S. Schuyler, DIRECTOR

250 PARK AVENUE, NEW YORK • CHICAGO • SEATTLE • SAN FRANCISCO
PORTLAND • DETROIT • LOS ANGELES • ATLANTA

When writing to SCRIPPS-HOWARD NEWSPAPERS please mention *Nation's Business*



Radiograms demand action! That is why leading banks and exporters use this service.

Speed, accuracy—and more . . . Radiograms go direct to twenty-three countries, entirely without relay. They are the swift, accurate carriers of news, quotations, acceptances between the United States and practically every point on the face of the globe.

That is why this new-day communication service is growing more and more popular with banks, exporters and all types of business that use international communication.

Be sure of speed and accuracy. Always send your messages

"Via RCA"

File Radiograms to Europe, South America, Africa and the Near East at any RCA or Postal Telegraph office; to transpacific countries at any RCA or Western Union office; or phone for an RCA messenger.

RADIOGRAMS GO DIRECT TO:

Belgium...France...Great Britain...Germany...Holland...Italy
Norway...Poland...Sweden...Turkey...Argentina...Brazil
Colombia...Dutch Guiana...Porto Rico...St. Martin...Venezuela
Hawaii...Japan...Dutch East Indies...the Philippines...Hong Kong
French Indo-China...and to ships at sea.

RADIO CORPORATION OF AMERICA

OFFICES: NEW YORK CITY.

64 Broad Street.....	Hanover 1811	126 Franklin Street.....	Walker 4891
Produce Exchange.....	Bowling Green 8012	25 East 17th Street.....	Algonquin 7050
120 Cedar Street.....	Rector 0404	264 Fifth Avenue.....	Madison Square 6780
19 Spruce Street.....	Beekman 8220	19 West 44th Street.....	Murray Hill 4996
	102 West 56th Street.....		Circle 6210
BOSTON—109 Congress Street.....		Liberty 8864	
SAN FRANCISCO—28 Geary Street.....		Garfield 4200	
WASHINGTON, D. C.—1112 Connecticut Avenue....		Main 7400	

When writing to RADIO CORPORATION OF AMERICA please mention Nation's Business

principal, but also the interest that had accrued since the failure.

A good many comments come to mind in contemplating the evidence of this man's high-mindedness. No one is likely to miss the significance of his example. For the evidence is that his obligation toward creditors of twenty-two years' standing was purely a moral one, that he did not rest until the finding of every one of the original creditors, or his heirs or assigns, and that he paid not only the principal due, but also a greater sum in interest. It would be apt enough to say that here Diogenes might make an end of his classic quest. But it seems more worth while to believe that the old-fashioned conscience is not so rare that it needs to be featured as news.

WHATEVER the public may think of the American menus, a meeting of organized chefs and caterers in Chicago has given special interest and convincing authority to the proposal to uplift our dishes. Even soups are to be standardized. It is the contention of the cooks that we have shown no national ingenuity for making culinary conquests. "In the past century," said Fred Schmidt of Louisville, "all America has produced is chop suey, hamburger steak, and hot dog—and nobody knows what's in them." And denser is the ignorance about a *hors d'oeuvre*. By the rating of C. L. Schweitzer of Chicago, "thousands don't know but what it's *hors de combat*. Sometimes it is."

All this is bad enough for the uneducated palate. And yet, all is not darkness. The very fact that hamburger has names in seventeen languages points to the bright hope that some day every one will know it as well by its name "a la Duke of Marlboro" as by its alias of "Popoletta di Milano." By all means let our menus be exposed to the uplift of the higher learning. Oxford gave marmalade and a manner to the world. And it was Cambridge that contributed science and a sausage.

MIND filling is Ralph Lomen's measure of the reindeer industry on Arctic stock farms. A pioneer in that business, he sees room for 12,000,000 deer on the Northern Tundra. Alaska, alone, he thinks capable of raising 4,000,000 head, and that is the number his company hopes to have in ten years.

Just what methods Santa Claus uses in rounding up his steeds is not made clear in the legends. For their part, Mr. Lomen and his associates depend on airplanes. That is what he said. "Airplanes." His head herdsman, for instance, can do as much herding in two hours with a plane as was ordinarily done in a week by seven mounted herds-men.

While details of this new herding technique are lacking, the accomplishment is none the less impressive. As the feat stands outlined in a news report from Vancouver, it suggests the influence of

the Irish school of strategy. For was it not an Irish sergeant who gave the world its classic example of a successful enveloping movement when he captured an enemy detail by surrounding it?

NEIGHBORHOOD ratings of worldly substance are approaching a higher level in the boast, "We've got a vacuum cleaner for every floor." And the makers of electrical appliances do have a sales suggestion in the current campaigns of the car and clock manufacturers. "A car for every member of the family" and "a clock in every room" typify a modern selling trend.

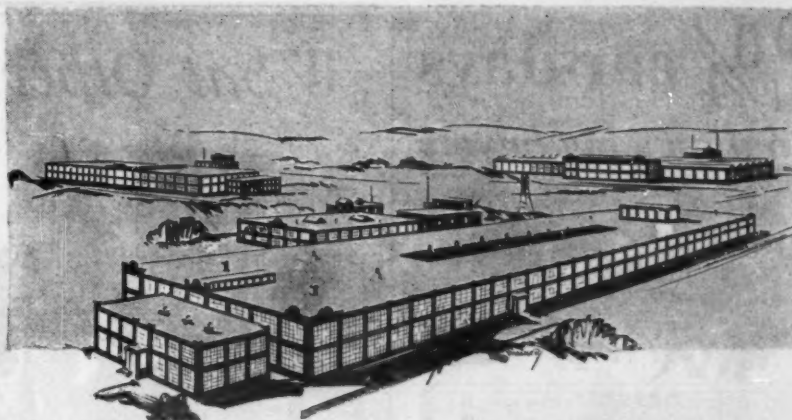
Market saturation is only relative, of course, but a sort of super-absorption is indicated by the salesmanship that can translate "super-supply" into "super-demand." Multi-floor homes with extension telephones, several bathrooms, and musical instruments upstairs and down are curiosities no longer. Convenience is made more convenient. New outlets for plant capacities are provided.

When all these benefits are offered—and what good salesman will take less than poverty for rejection?—it becomes increasingly difficult to defend a one-floor plan of life.

GOLF, old-homewrecker or wrecker of the old home, as the case may be, is now charged with playing fast and loose with a railroad. A three-mile line to a course in a Chicago suburb is in financial difficulty because automobiles have taken its passenger business. The line was subsidized by golfers. Golf has its widows no less renowned than war, but here, perhaps, is the first railroad to be reported among the casualties.

WHILE churches are regularly counted among community assets, it is the everyday significance of religion that needs public reminder. For the people of Fort Smith, Arkansas, that service has been done in part by a group of business men acting in cooperation with the publishers of the *Southwest American*, a daily newspaper. Full-page space was made available for a period of twenty-six weeks at half the regular rates. This charge was paid by the business men interested.

To extol the benefits of religious belief is no novelty, nor is there anything of the pioneer in recognizing the church as a universal force for good. Here, the commanding distinction of the representations is in the self-effacement of the donors. Omission of their names from the advertisements by their own design gives emphasis to the reader's conclusion that they neither expected nor desired to direct a community acceptance of their personal godliness. But good taste is not their complete reward. Anonymous as they are, they have helped all business to achieve a new level of appreciation in the public consciousness.—RAYMOND WILLOUGHBY.



YOUR HIGH COSTS are Keeping Georgia Factories Busy Day and Night

GEORGIA'S industries hum with activity day and night. They are busy. They are getting the business you can't get because your costs are too high.

Their goods carry a real profit. Yet they undersell you because they produce under advantageous conditions, at their best in Georgia. They undersell you because their production costs are cut by savings in labor, power, taxes, raw materials, building and a host of other vital factors. They undersell you because operation is smooth, uninterrupted by internal friction or by weather-extremes.

In Georgia there is a location offering the precise combination of advantages which your plant needs to put you right with the market. Our engineers have detailed information on the best locations, and will gladly place it in your hands without any obligation on your part.

You can get these facts either through our New York office at 120 Broadway, or from the home office of the Georgia Power Company, Atlanta, Georgia.

GEORGIA

POWER  COMPANY

• • INDUSTRY PROSPERS IN GEORGIA • •

When writing to GEORGIA POWER COMPANY please mention Nation's Business

2 $\frac{3}{4}$ car-days to nation's big buyers


ERIE

DETROIT 3
CHICAGO 3
CLEVELAND . . . 1
CINCINNATI . . . 3
PITTSBURGH . . . 1
BALTIMORE . . . 4
PHILADELPHIA . 4
NEW YORK CITY 3
(AVERAGE 2 $\frac{3}{4}$ DAYS)

over 4 Great Railroads

THESE DAYS of small order buying the manufacturer who offers best delivery has the "edge" on competition.

Erie manufacturers profit by fast, through service to principal distributing centers from the Atlantic to the Mississippi.

Half the nation's hundred-thousand-population cities lie within a 400-mile radius of Erie. That means 39 first class markets within 2 $\frac{3}{4}$ days average freight time of your new or branch plant here—via New York Central, Pennsylvania, Nickel Plate and Bessemer main line service, augmented by far-reaching electric and motor freight facilities.

A rare combination of basic advantages—market, transportation, raw materials, labor and power—attract industries to Erie. Get the facts in full detail from "5 Great Advantages".

Free Book of Vital Facts

Don't under-rate this book because it is free. Its significant facts and figures are worth careful study by industrial executives everywhere—32 pages of valuable information for every manufacturer. Send the coupon. Or let our Industrial Board furnish a confidential detail survey of Erie's 5 great advantages as related to your immediate problems.

ERIE

PENNSYLVANIA

 ERIE CHAMBER OF COMMERCE
Erie, Penna.

Date _____

Please send a copy of your booklet "5 Great Advantages."

Name _____

Firm _____

Address _____

N.B.S.S.

When writing please mention Nation's Business

What Other Editors Think



Colonial editors shock Royalists with posters showing Death between the Crown and Liberty, 1763.

ANNOUNCEMENT by the United States Steel Corporation of personnel changes, making J. Pierpont Morgan chairman of the board of directors to succeed Judge Elbert H. Gary, Myron C. Taylor, chairman of the Finance Committee, and James A. Farrell, chief executive officer, has evoked comment from many editors. The consensus, however, is that the new arrangement has made virtually no change in either the organization or the management of the corporation, since the chairman of the board is no longer an executive officer.

The *Michigan Investor* believes that this action virtually places the destinies of the corporation in the hands of a triumvirate representing finance, business, and steel. While Mr. Morgan is the titular head of the corporation, the chairman of the board no longer is an executive officer. The election of Mr. Morgan as chairman of the board will not add to his executive abilities, he having acquired a title and not an office. His acceptance of the post was viewed as a means of continuing the close interest of the Morgan family in the affairs of the corporation.

President to Lead

"WHILE the announcement does not say so," *Iron Age* comments,

it is evident that the board of directors amended the by-laws of the corporation, as it has power to do at any meeting by a majority vote, provided notice of intention to amend is given at the next preceding meeting, or without such notice, by a vote of two-thirds of all the directors.

The by-laws heretofore provided that "the chairman of the board of directors shall be the chief executive officer of the corporation and subject to the board of directors and finance committee, shall be in general charge of the affairs of the corporation." As just amended, the by-laws make the president the chief executive officer of the corporation, who, "subject to the finance committee and the board of directors, is in general charge of the affairs of the corporation."

When the question of the succession to Judge Gary was discussed, Mr. Farrell's performance as president covering more than 16 of the most momentous years in the history of the American steel industry, made him logically the next executive head of the corporation, whatever disposi-

tion might be made of the chairmanship of the board of directors.

It was further pointed out in that statement that the steel trade's problems of the future would be those of markets and prices, of relations with competitors, of new uses for steel, of the expansion of the Steel Corporation's producing capacity and of the extension of its foreign trade. In respect to all these important concerns Mr. Farrell's equipment has made him by common consent a commanding figure in the industry.

In the opinion of the *Commercial and Financial Chronicle*, "rather overmuch has been made of the changes made necessary by the demise of Judge Elbert H. Gary."

Mr. Gary's connection with the Steel Corporation was important, but the part he played in the actual management of the property has always been exaggerated in the public mind. The reason for this has already been mentioned, namely, that he talked so freely to newspaper men, sending out advance notices when he purposed saying anything.

The daily papers in their news columns have spoken of the great responsibilities he carried. Virtually he had no responsibilities. The executive management of the different properties has been for over sixteen years in the hands of President James A. Farrell who naturally is continued in that capacity and no one ever supposed that any change would be made in that respect.

The policies to be pursued in the management of the properties have always been dictated by the board of directors, one of the strongest ever in control of an important property. In this Judge Gary had a voice of course, but the board has long been preeminently distinguished for its great independence of judgment.

The dominant power has always been the Morgan interests, reenforced by the interest represented by George F. Baker of the First National Bank, who from the first has been associated with the Morgan people in all their great undertakings, and has valiantly cooperated with them in enforcing sound financial methods and enduring business policies.

It seems natural in these circumstances that the present J. P. Morgan should have agreed to take the position of chairman of the board of directors, but relieved of all executive duties, and that Myron C. Taylor should be given the place of chairman of the finance committee where he



THE WOOD ETERNAL

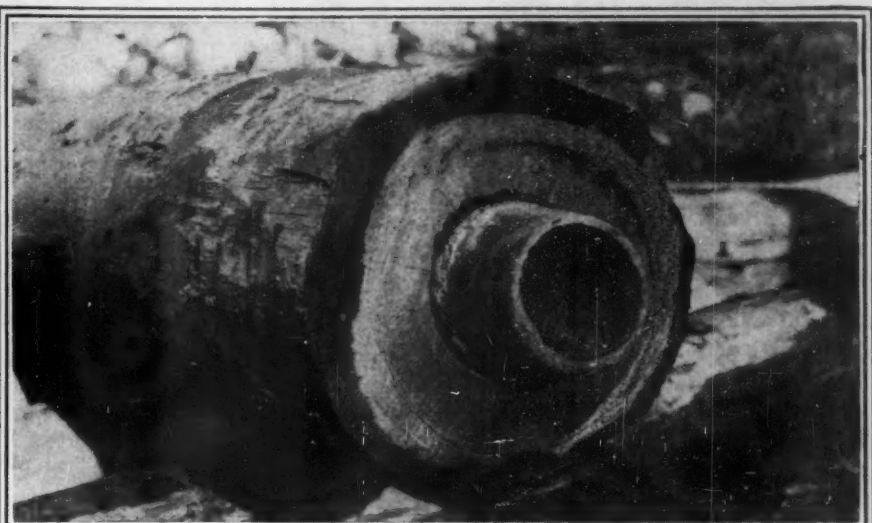
A hundred year test of wood!

WOODEN water mains—what could better test the durability of lumber? Water attacking from within . . . rot gnawing from without.

In 1793, New Orleans laid logs of Tidewater Red Cypress for its water supply. These logs were recently dug up and found in excellent condition—still sound, still useful, after more than a hundred years of service!

But this striking testimony is only one of the thousand proofs of the durability of Tidewater Red Cypress. This lumber is used the world over in shipbuilding. Millions of railroad ties are made of it. Many houses built of it are over two centuries old, and the country is still too young to tell how long a cypress structure can endure.

In your business and in your home, use this Wood Eternal for economy. Its first cost is the only cost. It



Although laid in 1793, and put to such a severe test of its durability, this water main was in fine shape when dug up recently.

knows no replacement or repair charges. After you build, it will never cause you to pay another carpenter's bill.

No wood, according to government tests, takes paint more smoothly or more durably. But to get long service from Tidewater Red Cypress, *you need not paint it.* Unaided by any artificial protection, it gives generations of wear. Just figure out the up-keep charges this wood can save. And, be-

cause it is easy to work, consider how it speeds construction and cuts down the high cost of labor.

As an experienced investor, as a shrewd purchaser, you will, of course, want to test this durable wood. But for exterior uses be sure you get "heart grade Tidewater Red Cypress," for there are different types of cypress. The finest qualities are found only in the "coastal type" red cypress grown on the lower Atlantic and Gulf coasts.



Stadium at Brown University, Providence, Rhode Island. The seats are of Tidewater Red Cypress. This lumber is used in many big stadiums, as it withstands weather year in and year out and does not require paint.

SOUTHERN CYPRESS MANUFACTURERS ASSOCIATION, Dept. NB-3, BARNETT BUILDING, JACKSONVILLE, FLORIDA



REG. U. S. PAT. OFF.

TIDEWATER RED CYPRESS



THE WOOD ETERNAL

When writing to SOUTHERN CYPRESS MANUFACTURERS ASSOCIATION please mention Nation's Business



Your personal friend everywhere you travel in Europe

WHAT a comfortable feeling to know that at the arrival ports of Europe—at railroad stations, frontier and customs offices abroad there is a personal friend of yours ready to smooth the way for you ...to help you whenever you are confused.

Your letter of introduction to this helpful man is your sky-blue *American Express Travelers Cheques*. When you change your cash into this practical, convenient and protective travel currency you receive not merely its equivalent in money ...but *ALL* the extra advantages that the world-wide service of the *American Express Travel Department* offers.

**Money insurance
plus world-wide service
at 75c per \$100**

American Express Travelers Cheques are issued in denominations of \$10, \$20, \$50 and \$100 and are sold in 22,000 banks, American Express and American Railway Express offices. Helpful service and protection begin the moment you buy, whether it be a \$10 cheque or \$20,000 worth.

**Merely ask your banker for
the sky-blue—**

*Safe anywhere
Spendable everywhere*

AMERICAN EXPRESS Travelers Cheques

[Steamship tickets, hotel reservations, itineraries, cruises and tours planned and booked to any part of the world by the American Express Travel Department]

When writing please mention Nation's Business

will have full scope for the exercise of his great talents as a most eminent financier.

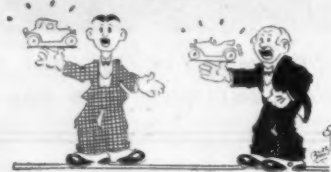
There has not been the slightest change in the conduct of the Steel Corporation since the death of Mr. Gary. Nor is there likely to be any in the future. The newspaper men will miss Judge Gary's genial presence and will no longer be certain of a "story" whenever the steel directors meet, for Messrs. Morgan, Taylor and Farrell are not very loquacious individuals or likely to seek the public ear in season and out of season.

In reality, there is no good reason why the head of the Steel Corporation should periodically interpret trade conditions or dilate upon the outlook for the Steel Corporation. Such action often involves embarrassing possibilities.

The Steel Corporation is no longer in need of a public spokesman, if it ever was in such need in the past. It is too strongly entrenched in public confidence to need extraneous aids of any kind, and neither Mr. Morgan, Mr. Taylor or Mr. Farrell is likely to endeavor to exploit his own personality—which is as it should be.

Battle of Prices Opens in Low-cost Automobiles

HENRY FORD appears to have started something in competition by the introduction of his beautified "Model A." Although none of the manufacturers in the low-price field will ad-



mit that a struggle is in prospect, many editors predict just that.

The *Michigan Manufacturer and Financial Record* satirically observes:

a while ago as the gentlemen of the motor car trade were stepping out on the floor for the 1928 dance of business they were very polite to each other as they introduced their respective models as their ladylike partners in the dance. Mr. Ford has made a national reputation as a promoter of the old-time steps and figures. As the caller for this year's business quadrille called "Allemande right" last November up steps Mr. Ford and bows to his competitors, saying that under no circumstances would he seek to get any of their business.

When the public caller again said "Allemande left" Mr. Sloan, of General Motors, made another novel little bow to the trade and ventured that Mr. Ford was perfectly lovely and no one would try to steal his trade. Farther down the list of "ladies change" and "swing your partners" all the participants in the dance curtsied and made each other believe that so far as competition was concerned butter wouldn't melt in their respective mouths.

Yet in spite and notwithstanding Mr. Ford has stepped out with a car that has a hundred dollars worth of new tricks to it at the old price, which is competition. Mr. Sloan has slipped a Chevrolet car into the market, which can be delivered at once, whereas Mr. Ford will not be in full production until April.

The other producers, from high price to

low, have graciously advised the public that they have been making so much money from volume sales that they are going to split with the public, from \$50 to \$500 per copy. All this is competition, lowered prices being the result of lowered manufacturing costs and satisfaction with lowered unit profits.

This is the way to sell more cars, hire more men and pay more wages. The Lord speed 'em all.

Direct Competition for Ford

"**F**ORD is nearer to having a direct competitor in price than at any time since the Model T got into production in large quantities," says *Automotive Industries*:

John N. Willys, with the very large price cuts announced on his four-cylinder Whippet, gains the distinction of being the first to try to beard the Ford price lion in its den. However, the Willys' move turns out, certainly there has been no more exciting automotive announcement in a good while. Lest too bellicose an interpretation be put upon the Willys move, however, it probably is worth recalling at once Mr. Willys' statement of a week ago that, "It is not the intention of the Willys-Overland to enter into any direct price war with anyone or group of manufacturers in the light car field." That Willys-Overland is making a strong bid for a real share in the Ford market is obvious, of course, but even this drastic move probably is not to be visualized as anything quite so dramatic as the opening gun of a price war.

It is impossible to refrain from speculating about how successful, from a financial as well as from a sales standpoint, Toledo is likely to be in its challenge to Dearborn. In making such a speculation it is worth while taking into consideration the fact that Willys-Overland, while it has not paid dividends on its stock for many years, still has improved its position from a production efficiency standpoint and from the standpoint of financial stability very steadily in the last five years or so.

The price reduction, it is stated, is coming out of "improved manufacturing costs." That statement in itself is pretty general, but when reinforced by specific statements that opening of a new body-building plant will save \$5,000,000 a year and that completion of a new forge shop last summer has increased efficiency in that department by 100 per cent, the possibilities of the situation grow. And it is only reasonable to believe that John Willys has made this move with a clear idea of being able to better his unit profit as well as increase his production.

Chevrolet Enters the Field

"**W**ITH Chevrolet prices also down to new low levels, the low-priced field bids fair to have a most interesting time of it in 1928. When 1929 rolls around many things will have happened and the picture for the individual companies in that group will be clearer than it is today. The Willys move, however, together with the Chevrolet cut, emphasizes the idea that Ford is unlikely to reach again the high percentage of total output which he formerly enjoyed and that the low-priced market will continue to be shared to an important extent by at least one or two other manufacturers.

The competition which has arisen, more-



WE ANSWERED HIS INQUIRY WITH QUESTIONS

Domestic Electric engineers recently received an inquiry asking for motor recommendations, but giving scant information regarding the application, which was still in an experimental stage.

Domestic, instead of submitting prices, horsepower statistics, etc., replied with a long list of specific questions, and explained why this information was necessary to intelligent development of the right motor. The appliance manufacturer's reply, answering each question in detail, closed with this significant paragraph:

"I should like particularly to compliment you on the extreme care and detail with which you handled this inquiry of ours. In the writer's business experience, the thoroughness and interest shown in your correspondence are most unusual."



Overload protection for fractional h. p. motors — Domestic Automatic Safety Switch

BEFORE Domestic Electric engineers can design and build the most satisfactory motor for any appliance manufacturer, they must know a good deal about his business—about the appliance itself, the market it serves, and the actual conditions under which it is to operate.

That is why we regard an inquiry simply as the starting point in developing the one motor that will best meet the exact requirements in one individual case. That is why we cannot answer inquiries with a stereotyped list of prices and specifications.

Because the motor is so important a factor in the success of any electrical appliance, the Domestic Electric Company maintains

in the interests of the appliance industry a unique type of research and sales-engineering organization. Literally this organization functions as a department of every business it serves.

It is equally important that the appliance manufacturer investigate his source of motor supply. The inventory he must carry—his plant equipment—his entire production set-up—may be affected by the motor supplier's facilities, and by the basis of production agreed upon.

We cordially invite appliance manufacturers to visit the Domestic factory—to inspect personally the facilities and organization we offer for the solution of your problems.

THE DOMESTIC ELECTRIC COMPANY
7209-25 St. Clair Ave. Cleveland, Ohio

Domestic
"INDUSTRY'S BIGGEST LITTLE THING!"
Electric Motors
FRACTIONAL HORSEPOWER

INDUSTRY'S • BIGGEST • LITTLE • THING

When writing to THE DOMESTIC ELECTRIC COMPANY please mention Nation's Business



Income Earning Workers

Why do you employ only the best mechanics? Because you know a poor workman is a losing proposition and your returns can only be as great as your labor is efficient.

Strangely enough, a fact so obvious in the case of human workmen is often utterly disregarded when it comes to machinery efficiency. For example, an inadequate material handling set-up may "get by" in your plant, wasting more time and money than fifty sluggish workmen, without your realizing the extent of your loss.

A nearby Industrial Brownhoist representative will give you money saving facts about the following equipment: locomotive cranes, wrecking cranes, heavy dock machinery, crawler cranes, shovels, conveyors and buckets.

An interview with one of these men will determine whether your handling costs are what they should be.

Industrial Brownhoist Corporation
General Offices: Cleveland, Ohio

District Offices: New York, Philadelphia, Pittsburgh, Detroit, Chicago, St. Louis, San Francisco, New Orleans and Bay City, Michigan.

INDUSTRIAL BROWNHOIST

When writing to INDUSTRIAL BROWNHOIST CORPORATION please mention Nation's Business

over, will involve many constructive angles, including reduction of waste in merchandising effort, more careful study of marketing methods, even more intensive analysis of production costs and—from the standpoint of the public at large—more and more value for the dollar.

"When parts and accessory manufacturers don't get a reasonable profit on the units they sell to car manufacturers, it isn't a good thing for the industry; every branch of the industry should be getting fair returns to preserve a healthy condition for all." Walter P. Chrysler expressed this idea, and thus added further important emphasis to the thought that the automotive industry today is comprised of a large number of strongly interdependent units and that its future success lies in the cooperative development of all its parts.

Despite price cuts and internal competition of a strenuous character, the big struggle of the industry is with other industries for a greater share of the consumer's dollar. In visualizing the 1928 outlook from a competitive angle it is well not to let the trees obscure our vision of the woods.

The *Detroit Motor News* is responsible for the statement that

flaming youth, popularly conceived as that flapper age between 16 and 25 years, was acquitted of another of its recent indictments when Detroit accident records as disclosed by the traffic survey show this age to have the lowest automobile fatality total for 1927.

With 318 traffic deaths during the first 10 months, the police department analysis shows that only 19 were known victims between the ages of 16 to 25.

Farm Experts Believe That Agriculture Is Better Off

THAT the agricultural situation is gradually improving despite the predictions of alarmists is the consensus of editorial comment in farm journals. The *Price Current Grain Reporter* quotes Secretary Jardine as saying, "Agriculture is better off today than it has been



at any time in the last six years—there are a lot of people who don't agree with me on this, but it's a fact." The article continues:

He pointed out that the estimated value of all farm crops for 1927 was \$9,114,845,000, more than \$675,000,000 greater than for 1926, thus assuring a larger income this year to farmers.

Live stock raisers, he continued, are recovering rapidly from the post-war slump, with beef prices now at a level which assures cattlemen a fair remuneration while prospects are for better hog prices in the spring.

He pointed out that sections where depression had been most acute in the last few years marketed good crops at good prices this year; that the protective tariff was assuring the American market for

American farmers, and forecast that with federal and state aid agriculture would soon be lifted to a par economically with other industry. . . .

On the basis of figures prepared by the Corn Belt Federation, not a bushel of our grain, a ton of our hay, nor a single head of hogs, calves or sheep from this year's crop has been sold at production cost, and yet there are multiplied evidences of farm prosperity. For instance, implement sales in 1926 were 50 per cent larger than they were in 1922, and 1927 is apparently ahead of 1926. The farmers have also been heavy purchasers of automobiles, radios, etc., they have paid off a lot of their old indebtedness and they have put millions of dollars into stocks and bonds as well as into the banks.

"Unbusinesslike" Farmers

THE greatest menace to the farmers as a group are the below-average producers. As a rule they do not know what their production costs have been, they are "hard up" financially and they dispose of what they have raised, at the very earliest possible date.

"Generally speaking," the *Farmers' Home Journal* says,

the American farmer of 1927 was about 7 per cent better off than he was in 1926. Some were under that figure and others above it, according to their wisdom and the weather.

Statesmen and politicians have not yet cooled off, however, in their efforts to give the farmer as much legislative aid as they have given the manufacturers and as the small merchants in the city wish they had. But on the whole we are better off and will be better off this year.

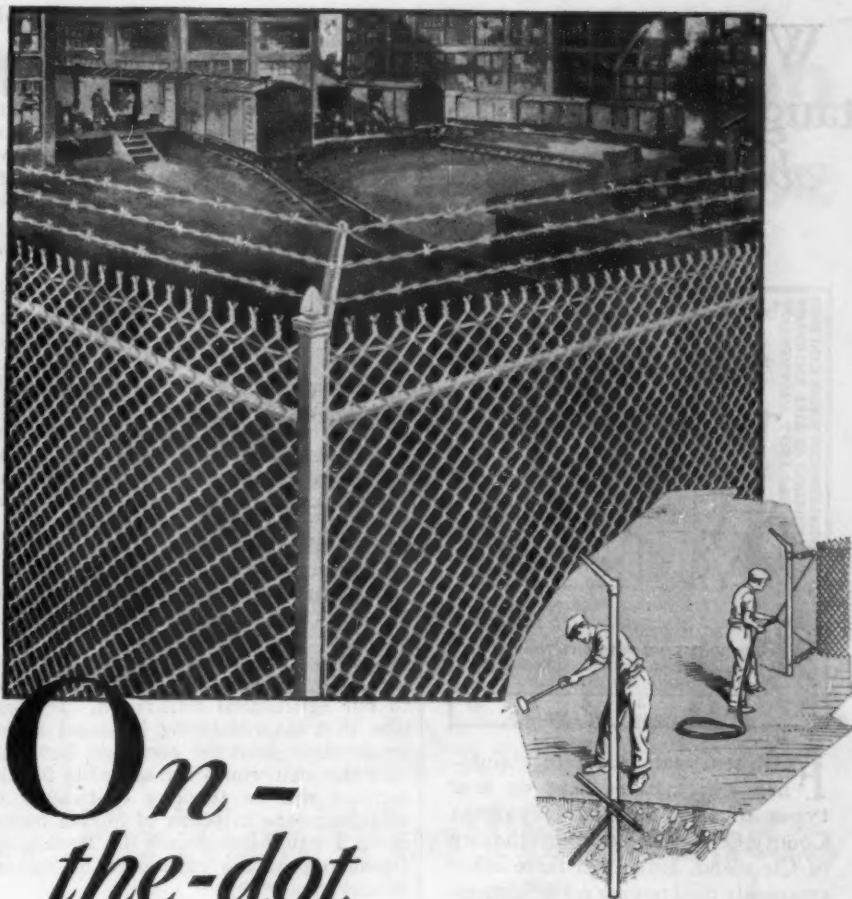
We will have more time to complain about our tough luck and more time to run the country now—or tell how it should be run. Also more time to listen to the fellow who sympathizes with our downtrodden condition and wishes we ran our farms like they do in Denmark or some other country.

H. A. Wallace looks dubiously at proposals to solve the problems of rural America by introducing industries into agricultural districts. Writing in *Wallaces' Farmer*, he says:

I notice that the president of the American Bankers' Association told some bankers in December that the cure for the agricultural problem is more manufacturing in the farm states. He held Ohio, Pennsylvania and North Carolina up for admiration as the states where there was the best balance between farming and industry.

Personally, I am wondering just how happy the farmers are in these states. I visited this past summer for a short time in western Pennsylvania, not far from where my grandfather was raised, in a valley where there was a prosperous agriculture sixty years ago. Coal mining and factories have come in, however, and today most of the farms are in a deplorable state.

Nearly all of the grandchildren of the Scotch-Irish farmers who lived on these farms in the seventies are either living in town or have gone west. Many of the farm houses have been abandoned. Middle-aged people raised on these farms who go back to the scenes of their childhood, are shocked to find weeds growing



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In 75 principal cities—from coast to coast—Anchor Representatives are located.

If you are in the market for a fence—take advantage of the convenience and economy that this service affords. Learn, too, about the new Anchor Wire-Weld Gate and Square Terminal Posts—both important developments in fence construction.

Phone or write the nearest Anchor District Office.

ANCHOR POST FENCE CO., Eastern Ave. & 35th St., Baltimore, Md.

District Offices: Albany; Boston; Charlotte; Chicago; Cincinnati; Cleveland; Detroit; Hartford; Houston; Indianapolis; Los Angeles; Mineola, L. I.; Newark; New York; Philadelphia; Pittsburgh; St. Louis; San Francisco; Shreveport

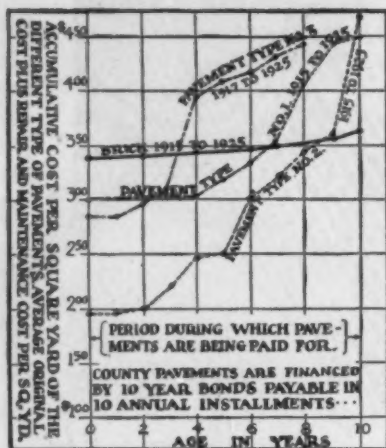
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Buy the fence with
1. THE STRONGEST POSTS
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A NATION-WIDE FENCING SERVICE

When writing to ANCHOR POST FENCE Co. please mention Nation's Business

What ten years taught one County about TRUE cost of roads



FOR ten years accurate maintenance costs were kept on four types of pavement in Cuyahoga County, Ohio, which contains the city of Cleveland. Brick and three other commonly used paving materials produced the figures charted above.

Note that brick and one other material (Type 1) kept cost low during the first four years.

Costs of Types 2 and 3 started mounting the second year.

Cost of Type 1, after only four years, also began soaring and with Types 2 and 3, mounted steadily for the remaining six years.

The average original cost of pavements plus the maintaining costs for a ten year period was as follows:

Brick	\$3.60 per sq. yd.
Type No. 1	\$4.50 per sq. yd.
Type No. 2	\$4.60 per sq. yd.
Type No. 3. (8 years only)	\$4.45 per sq. yd.

Why Brick Maintenance Is So Low

These records are typical. Brick produces the toughest wearing surface man makes. Properly laid on any good base, with sand cushion and bound with asphalt, moisture can never enter—to freeze, expand and destroy. And this surface has the "give" to take up shocks and jolts without cracking up.

So brick's levelness, non-skid properties and freedom from reflected light glare may be had today at lowest cost of any paving material.

Complete records of cost sent upon request. Address:

National Paving Brick Manufacturers' Association
332 South Michigan Avenue, Chicago

in the yard, the roof leaking, and the old spring clogged up.

Many of the farms have been taken over by foreigners from southern Europe whose standards of living are so low that American farmers living on the same land find it difficult to get along and yet have enough money to send their children to high school. It is hard to hire farm labor because high wages in the coal mines and factories attract the more ambitious laboring men into town.

From a national point of view, we want a balance between industry and agriculture. It may be that with freight rates the way they are now, there should be more manufacturing in Iowa. If such manufacturing develops, however, the blessings will not be altogether unmixed so far as farmers are concerned. Land values are helped in the immediate vicinity of manufacturing centers, and farmers producing milk and vegetables find a more profitable outlet for their products.

Unfortunately, fine agricultural communities have not grown up near cities where there are big manufacturing plants. It will take some careful thinking to work out a plan which will make a sudden increase in manufacturing a genuine blessing to our agricultural civilization. I recognize that manufacturing is bound to increase throughout the corn belt, but hope that the men who are responsible for the increase will be thinking continually of what it means in terms of human happiness. I would hate to see the Iowa countryside repeat the experience of western Pennsylvania.

Trend in Steel Industry Is Toward Stable Market

WITH reductions in outlay for plants and certain readjustments of production, *Iron Age* sees promise this year for better conditions in the steel business.

Nineteen twenty-seven in the steel industry showed early signs of falling behind 1926. With a steel ingot output of about 43,250,000 tons, it was 8 per cent under the 46,936,000-ton peak of the year before.

Prices declined most of the year, and earnings were quite below those for 1926,



in spite of the signs a year ago that steel companies were about to curb price cutting.

The *Iron Age* composite price for finished steel averaged 2.357c. per lb. for the year; it was 2.439c. in 1926. Thus the year's average fell off \$1.64 a net ton, whereas the 1926 average was only 52c. a ton under that of 1925.

In the sheet and strip trades the revolution of continuous rolling by patented methods made the year memorable, pointing to ultimate centering of production in large companies.

Pig iron last year sold lower than at any time since August, 1916. Our pig

iron composite, as the year opened, was \$19.71 per ton, and at the year's end \$17.54. Pig iron output was about 36,400,000 tons; in 1926 it was 39,373,000 tons.

With outlay for new iron and steel plants much curtailed and with production in fewer hands, the trend is toward a more stable market.

Volume Production Leads To Profitless Prosperity

THE *Electrical World* scents danger in the fact that the industry of the United States during the last few years has had a growing tendency toward a volume basis.

In general, great manufacturing enterprises are conducted on the Ford plan of quantity production and small profit per unit. This is satisfactory as an expedient to overcome localized distribution of products and to meet an economic trend, but it does not lead to anything ultimately except a "buyers' market"—that busi-



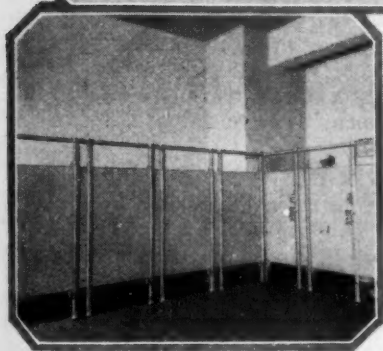
ness situation in which the purchaser dictates the price and the seller takes what he can get, knowing that if he does not do so his competitor will.

Reports from almost every field indicate that industry is reaching this condition. Buyers are learning that they can get materials at their own price. As a consequence, business is showing little, if any, curtailment in volume, but the poverty of an ungainful trading margin is upon it. Merchandising counselors advise a reduction of distribution costs, but this is only a temporary alleviative in cases in which it may be remedially applied.

A prominent economist says "all the great basic raw-material-producing industries, such as coal, chemicals, agriculture, metal mining and some of those closest to them, like the wool and cotton textiles, leather, and lately iron and steel, have certainly shared little or none of the restless, shifting and selective prosperity which has been so extravagantly hailed. Thanks to the easy-money policy of the Federal Reserve System, the stock market has been doing some fancy aviation, but there has been no real business boom in this country since 1923."

All extremes are untenable. Life and activity tend to intermediation, and conditions must come closer to those of a "sellers' market" than they are now before there can be "good business." It is useless to talk of sales volumes and unbelievably large funds in the banks and invested at absurdly high prices in stocks and bonds. The return on the investment is the only factor that possesses ultimate significance. The solution is simple but exceedingly difficult of achievement. A fair price to the purveyor—he to insist upon it and the buyer to pay it. This requires courage of a high order and unprecedented cooperation on the part of the producers as well as understanding and fairness on the part of the buyer.

There is a Mills Metal Partition for Every Purpose



TOP—Mills Metal General Office Partition.
CENTER—Mills Metal Commercial Partitions.
LOWER—Marblemetal for fine toilets.



Above is a view of offices in the Guardian Bank Building, Cleveland, equipped with Mills Metal Executive Office Partitions.

For Men Who Think Today in Terms of Tomorrow

Today's struggle was won or lost yesterday. Tomorrow's plans must be made today. That's why Mills Metal Partitions. Standard interchangeable units that can be erected, disassembled and assembled again in a matter almost of minutes.

Carefully and thoughtfully developed design and construction. For example, floor base is continuous, two-piece bolted to the floor. Eliminates unnecessary time and effort in shimming up under the posts to make partition level and assures an absolutely solid foundation for the partition.

Forward-looking executives everywhere—in office buildings, banks, factory offices, factory departments, are using Mills Metal Partitions for appearance, economy and for convenience and because they make possible more definite thinking today in terms of tomorrow.

There is a Mills Metal Partition for every purpose and at a price to fit every purse. Write for special bulletins on the particular types of partitions you require.

THE MILLS COMPANY, 900 WAYSIDE ROAD, CLEVELAND, OHIO

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NEW YORK
7 West 42nd Street
Phone, Longacre 10263

CHICAGO
1218 First National Bldg.
Phone, Dearborn 6100

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MILLS METAL

Interchangeable  Partitions

FOR FINE OFFICES. Mills Metal Executive Office Partitions. (Illustrated.) Refined design. Beautifully finished in harmonizing plain colors or grained.

FOR AVERAGE OFFICES. Mills Metal General Office Partitions. (Illustrated.) Same general design finished in standard olive green.

FOR FACTORY AND OFFICE DEPARTMENTS. Mills Metal Commercial Partitions. (Illustrated.) Especially designed for factory offices and departments.

FOR GENERAL UTILITY. Mills Metal Economy Partitions. A sturdy partition without extreme refinements, priced extremely low.

FOR TOILETS. Mills Metal Toilet Partitions. Special design. Sanitation built in. Most widely used toilet partitions on the market.

FOR FINE TOILETS. Marblemetal. (Illustrated.) A combination of metal and insulating material for toilet partitions that give the qualities of marble without possibility of scaling or becoming discolored.

No matter what your business interest is there is a Mills Metal Partition for you at a price you can afford to pay.

There is a Mills Metal Partition for Every Purpose at a Price You Want to Pay

Winged Messengers



*..change hustle
to speed*

BRING the laboratory to the furnace. A blinding flare of light pierces the murky gloom of the furnace room—another melt is being sampled. The order calls for a special steel . . . the critical moment is at hand.

But only the chemist can tell the real story . . . for in his hands are the keys of success.

In the Steel Mills, test samples both hot and cold are put in Lamson Pneumatic Message Carriers. They are shot instantly to the laboratory. Then, written analyses are shot back to the furnace room. The heat is still molten . . . there is ample time for necessary corrections.

The uses of Lamson Pneumatic Tubes are not confined to any one industry or purpose. Lamson Pneumatic Message Carriers will effect economies wherever there is a departmental interchange of messages required . . . they compel an orderly and continuous flow. As soon as a matter receives attention, it is brought automatically to the attention of the next department. There is no delay and accumulation awaiting human messenger pickup.

Our book will tell you how Winged Messengers will perform in your business.

THE LAMSON COMPANY
3000 James Street, Syracuse, New York

LAMSON PNEUMATIC TUBES

Coordinate the Departmental Interchange
of Papers, Files and Packets

When writing to THE LAMSON COMPANY please mention Nation's Business

HUMAN NATURE IN BUSINESS



By FRED C. KELLY

A SURPRISING amount of good will and advertising of restaurants," a cafe proprietor tells me, "is unconsciously stirred up by actors. Because good digestion is important to an actor, and also because most actors on the road are compelled to be economical, traveling players pass on word to one another when they discover good food at reasonable prices. Actors also mention such places to friends outside of the profession in whatever town they happen to be. This carries more weight than if an ordinary person made the recommendation because everybody knows that actors become exceptionally good judges of eating places."

ALL of which reminds me of a comment I have often heard actors make:

When an ordinary layman begins conversation with an actor the first thing he says is: "Where do you go from here?" But another actor is sure to ask: "Where were you last week?"

The other actor wants to follow his question with: "Where did you stay? Where did you eat? And were they good places?"—in case he himself should be there soon.

IN IRELAND, recently, I noted that a traveling salesman is never called a drummer, or even a traveling man. He is just a "traveler."

A SALESMAN for pasteboard cartons had about succeeded in convincing a manufacturer of wire nails that he should ship his nails in cartons instead of, according to long-established custom, in kegs. But at the eleventh hour, a keg salesman happened along and put in an argument for his own line of goods that the nail manufacturer decided was a clincher.

"Had it occurred to you," asked this keg salesman, "how many nails go into each keg? Do you, in the nail business, want to discourage the manufacture and sale of articles which require nails?"

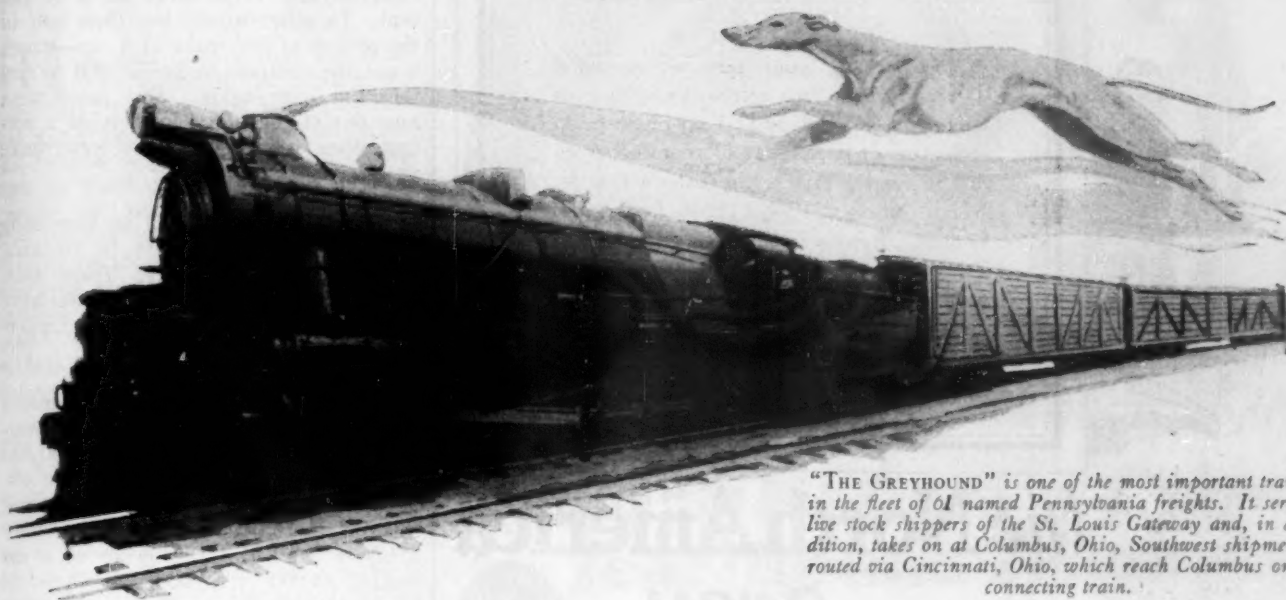
ONE of the great automobile companies has conducted, by means of a simple questionnaire, a nation-wide survey to learn which cars are most popular with those who have already

LAMSON Serves
Public Utilities
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Publishers
Wholesalers
Investment Brokers
Hospitals
Hotels

And Will Serve You



"THE GREYHOUND"



"THE GREYHOUND" is one of the most important trains in the fleet of 61 named Pennsylvania freights. It serves live stock shippers of the St. Louis Gateway and, in addition, takes on at Columbus, Ohio, Southwest shipments routed via Cincinnati, Ohio, which reach Columbus on a connecting train.

for four-footed folk who ride East to "go West"

EVERY RIGHT-MINDED HOG hopes some day to be served alongside of a couple of "sunny side ups," or to come tableward escorted by a garnishing of parsley and applesauce.

And it is the ambition of cultured and educated steers to find a last resting place beneath a bountiful helping of onions or mushrooms.

So, if asked about it, the animal world would tell you that they look upon "The Greyhound," the Pennsylvania's live stock carrier from St. Louis to Eastern Markets, as a big bandwagon that bears them joyfully to the land of heart's desire.

Every evening without fail "The Greyhound," loaded with four-footed passengers that have come from National Stock Yards, Ill., or other Western Stock Yards routing via the St. Louis Gateway, swings out from St. Louis and takes the path toward Eastern Markets.

All the comforts of home are provided for the four-footed folk of the fields when they take this big train.

And no one has to dig down for one penny of extra fare.

Shippers:

Are you giving the man who routes your freight the time and opportunity to effect the economies, contribute to the new business strategy which in many industries is considered the most important development since Mass Production?

The Industrial Traffic Managers of many organizations have been instrumental in the speeding up of turnover—in the reduction of inventories—and in the opening up of new selling territories to which improved freight transportation has given them access.

Food and water are theirs for the trip. Music is furnished by the rhythmic click of "The Greyhound's" wheels as they glide smoothly over the steel rails. And all the fresh air and sunlight that hogs and steers from the great open spaces could desire are thrown in.

Dinner and Rest await at Pittsburgh

At the Pittsburgh Union Stock Yards—where the chefs know their stuff—a sumptuous repast awaits "The Greyhound's" passengers. And then, after a rest, they climb aboard again and "The Greyhound" resumes its journey toward the "Happy Hunting Grounds" of the animal world.

Regularly and dependably "The Greyhound" leaves St. Louis on schedule.

And its arrivals at Eastern Markets are just as regular. Month after month of exceptional and sustained on time performance has made this train a favorite with shippers of live stock from St. Louis to the Eastern Seaboard Cities.

PENNSYLVANIA RAILROAD

Carries more passengers, hauls more freight than any other railroad in America

Packages insured as wrapped



NO waiting your turn at crowded windows, no extra handling of packages, no delays and no red tape in collecting on packages stolen or destroyed in the mails. That's the satisfaction of North America Parcel Post Insurance. Coupons from a North America Coupon Book insure each package at the wrapping desk—and cost but a few cents.

Ask the North America Agent or send the attached coupon for full information.


the North America way

"The Oldest American
Fire and Marine
Insurance Company"
Founded 1792

Insurance Company of North America
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Philadelphia, Pa., Dept. N-3

Name
Street
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Wants information on Parcel Post Insurance



FREE

140-Page Book illustrating Loose-Leaf sheets and binders—the simplest ways of handling records and accounts.

Write for this Free Catalog

John C. MOORE Corp.
(Established 1839)
4097 Stone St., Rochester, N. Y.

MOORE'S LOOSE LEAF SYSTEMS
Used In 300,000 Offices
Ask about the New
MOORE'S VISIBLE RECORDS



When
You Come to
Atlanta

you will find the South's Supreme Hotel, the Atlanta Biltmore, "Where Southern Hospitality Flowers." Located in a four-acre park, free from traffic noises, immediately accessible to theatrical, business and shopping centers

A Bowman Biltmore Institution

Rates from \$3.50

Golf for Biltmore guests

Jno. McEntee Bowman, Pres.
H. B. Judkins, Manager

Wm. Candler, Vice-Pres.
W. C. Royer, Asso.-Mgr.

owned them, and what cars dissatisfied or ambitious owners expect to buy next.

The two questions asked were:

"What make of car do you now own? If you were to buy another car this year, what make of car would you probably buy?"

From more than 100,000 replies to such questions, the company learned that owner-loyalty varies from 42 to 92 per cent. In other words, less than half of the owners of one make of a car—which is not the cheapest make—intend to buy that car over again. But more than nine out of ten of the owners of a certain other car would buy the same make again.

THE SURVEY showed an increasing tendency for people to be thinking about medium-priced cars. These draw prospective owners from those who have owned both lower-priced and higher-priced cars.

AS MIGHT be expected, the percentage of loyalty runs lower for lower-priced cars. The owner of a \$500 car may be perfectly satisfied with the service it has given him but yet be looking forward to the time when he can have a better car. But the owner of a car costing \$4,000 or \$5,000 can't hope to have anything much better if the product has been as satisfactory as he thought it would be when he bought it.

I FOUND a small-town grocer closing out his stock after being in business nearly thirty years.

"All my cash customers have fallen into the habit of dealing at one of the chain stores up the street," he said. "The only ones I had left were those who didn't have the money to pay cash. Many of these have never paid me at all."

A SECOND-HAND book store man tells me that he finds it difficult to sell good books to native Americans.

"Those who do take an interest in reading," he said, "do not have to hunt bargains. My main trade is among young foreigners who are constantly trying to improve their minds as a means of getting ahead. They can't afford to buy all the new books they want, and the public libraries can't supply them."

A CHAIN-STORE grocery manager says that the cash-and-carry business has increased the demand for wrapping paper, to the advantage of paper manufacturers. Housewives who carry home their own groceries like to have them more carefully wrapped and in heavier bags than if they were to be delivered by the grocer's wagon.

I NOTICE that a number of first-class hotels now keep in each guest room, at the end of a chain, an opener to remove metal tops from bottles. Yet they provide no corkscrew. This isn't because they are willing that guests should

drink ginger ale or other fluids contained in bottles with metal tops, but are out of sympathy with liquids in corked bottles. It is purely a defensive measure to protect hotel property.

A startling amount of damage is constantly being done to hotel furniture by thoughtless guests who use dresser drawers, or almost any sharp edge, as a bottle opener.

HOTEL men declare that the tendency of guests to be vandals and careless about damaging hotel property has been much worse in recent years, not because of prohibition and drunkenness in guest rooms, and not because people are less honest than formerly, but because ignorant people are more prosperous than ever before. Many men now stay at good hotels who a few years ago would have had to stay in low-priced places where the furniture was already so bad that a little more damage didn't matter.

"**N**OTHING is so costly," remarks William R. Hopkins, city manager of Cleveland, "as a nuisance. If smoke is so thick that it becomes a nuisance, then solid matter that should be burned as fuel is going to waste and such waste is a needless burden on the manufacturers who are responsible. Likewise, if a chemical plant is turning loose gases that create objectionable odors, their very strength is proof that they should not be wasted."

A FRIEND writes me of an optician who placed an exhibit of 500 artificial eyes in his show window and left them there for ten days to the exclusion of all other goods. Yet not more than one person in 5,000 is a potential customer for a glass eye.

"I know better now," says the optician with more knowledge of advertising values. "Show windows are too valuable advertising space to waste on articles not having general appeal."

IN ENGLAND a while ago I was impressed by the total lack of shabby fences in the country. I didn't see a piece of broken wire or a fence post out of plumb. And I have been wondering just how much value such tidy, thrifty appearance of farm fences adds to the land.

What would happen to farm values in any county in America if there wasn't a disreputable fence to be found?

"**S**TYLE," remarks a famous merchant, "is just a cowardly attempt to avoid competition."

That is to say, a manufacturer who is over-anxious to bring out a new style practically says:

"We can't longer compete profitably with other manufacturers by offering the same thing more cheaply, or better, than they do, but here is something new that they aren't yet making at all."



Non-Skid Hi-Type for Year 'Round Trucking

Traction for practically any road, in any weather—cushioning that protects merchandise and expensive equipment—long mileage that keeps down the cost-per-ton-mile—these are the principal reasons why operators are standardizing trucks of many types and sizes on Non-Skid Hi-Type Truck Tires. In this tire Firestone has scientifically designed an ideal combination of the qualities most trucks need for efficient, low-cost operation. Built in all sizes, from 4" to 14"—for front and rear wheels—singles or duals. Ask your local Firestone Dealer to tell you about the record of this tire in your kind of work. It is the outstanding accomplishment in modern solid tire engineering.

MOST MILES PER DOLLAR

Firestone

AMERICANS SHOULD PRODUCE THEIR OWN RUBBER

Harvey Firestone

IF you are not already a NATION'S BUSINESS subscriber send in this handy coupon.

To the U. S. Chamber of Commerce
Washington, D. C.

Send me NATION'S BUSINESS, your official monthly publication, beginning with the April number. Bill me later for \$7.50 for the three year term-subscription (OR: I enclose remittance with this coupon).

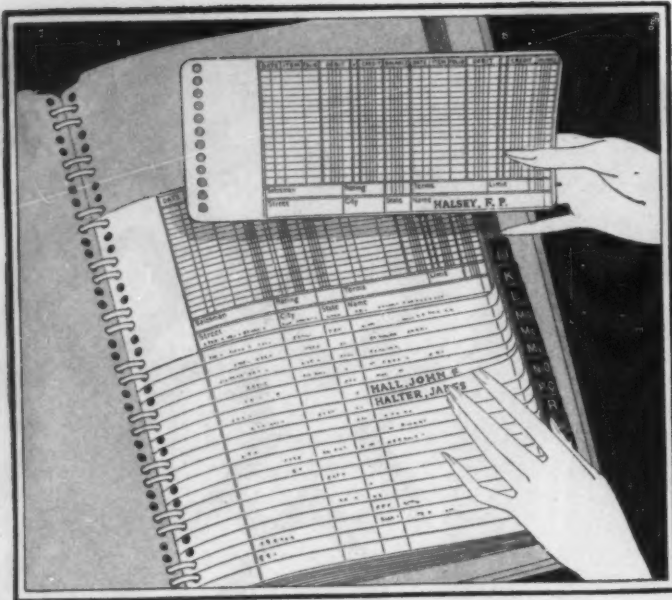
NAME _____

ADDRESS _____

CITY AND STATE _____



When buying FIRESTONE TIRES please mention Nation's Business



Can we put Mr. Halsey into his proper place?

YES—his name will appear in its correct alphabetical position between Hall and Halter.

And we can do this instantly, without lifting any of the other record sheets from the prongs of the Brooks Visualizer.

In the same way we can take Mr. Halsey out again and close up the space he occupied.

The Automatic Shift, an integral—and exclusive—feature of Brooks Visualizers, makes this possible.

Brooks Visualizers introduced portable, loose-leaf, visibly-indexed recording units into business. They have been followed by many imitators because of their obvious speed, accuracy and economy—as against card systems for business records.

A fifteen-minute demonstration now will protect you against a future investment in more expensive or less efficient equipment.

For descriptive literature address

THE BROOKS COMPANY

Offices in 67 Cities

1235 SUPERIOR AVENUE - CLEVELAND, OHIO

Distributors for Canada: Copeland-Chatterson, Limited, Toronto

FLEX-SITE
PATENT SHIFT

BROOKS VISUALIZERS

WITH AUTOMATIC SHIFT

Copyright 1928, The Brooks Co., Cleveland

When writing to THE BROOKS COMPANY please mention Nation's Business

THROUGH THE EDITOR'S SPECS



THE BEST of the broadcasting stations cannot guarantee circulation," said Thomas F. Logan to a convention of the American Association of Advertising Agencies.

"Thirty million people heard the program over the radio," says Edward L. Bernays, who arranged the Dodge Victory Hour.

These two statements should be read together, for they recall the throes through which the newspaper and the magazine publishing industry went before the Audit Bureau of Circulation was formed.

The question of circulation is one that is sure to be asked of the radio. The offer of free booklet is for the radio the "cut off the coupon" of the printed advertisement, but neither one is a very definite test.

And as radio advertising struggles with the problem of proving circulation, the periodical which has its means of proving circulation is facing a next step of proving that its circulation does not merely buy, but reads and reads thoughtfully and with care.

What is the comparative value of the magazine bought at the newsstand and the magazine sent to the house? Is circulation gained by premium worth less and how much less, than circulation gained without premium?

Are women's magazines more closely read than men's? To what extent, if any, does high price mean high reader interest or high buying power? A newspaper and a magazine each has a proven circulation of 1,000,000. How do the two circulations compare in value to the advertisers?

These are obvious questions which the advertiser asks of periodicals and which in other forms he will ask of the radio as it widens its use as an advertising medium.

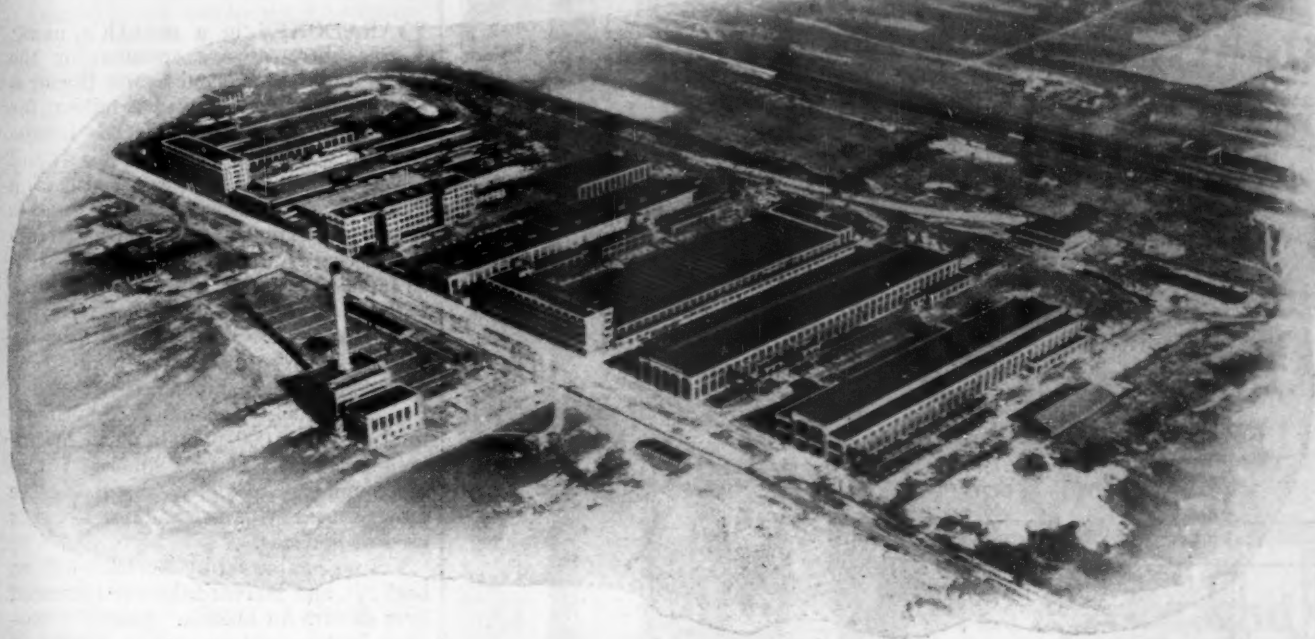
ALITTLE period is a dangerous thing. Asked to say something about the radio broadcasting in the interest of the Dodge automobile—and I was interested in this advertising venture—I telegraphed:

As an achievement in publicity it is wonderful. As a means of selling automobiles I shall be tremendously interested in the results if they are measureable.

Somewhere a period decided to find itself a new home with this result:

As an achievement in publicity it is wonderful as a means of selling automo-

Airplane View of Erie Works
GENERAL ELECTRIC COMPANY
 ERIE PA.



15,034 "Squares" of General Electric Company roofs are Johns-Manville Built-Up Asbestos

The General Electric Company is one of the world's greatest engineering organizations. This corporation buys equipment and materials after analysis and test. Precise standards and rigid specifications must be met. Nor does the exacting scrutiny end with purchase. Performance is studied with equal care.

The 15,034 squares (1,503,400 square feet) of Johns-Manville Built-up Asbestos Roofs on the General Electric Company's works at Erie, Pennsylvania, seem to us a stronger endorsement, a better proof of the worth of our roofs than anything which we might say. Chosen after cold consideration of various roofings, Johns-Manville Built-up Asbestos Roofs have met the test of severe use. They have been specified for building after building as the works have grown.

The result of 50 years experience

The reason that our Built-up Roofs have met the tests of General Electric and

many other engineers, is that we, ourselves, are engineers. Pioneer developers of ASBESTOS, we have exhaustively studied, tested and worked with this remarkable mineral for 50 years.

Johns-Manville Built-up Asbestos Roofs are the result of experience in the manufacture of roofing felts, in the application of built-up roofs, and an observation of their performance extending over nearly half a century. It is because of this very long experience that the Johns-Manville organization is able to offer the very utmost in a built-up roof that is smooth, fireproof, of long life, economical, a roof that will not give trouble at any point, a roof that you can apply and forget.

If you have any connection with the building or maintenance of any factory, warehouse, office building, hotel, theatre, athletic field—in short, any structure of large roof area, we suggest that you write to us about the roofing. You incur no obligation. We think we may be helpful.

Johns-Manville fireproof Asbestos Shingles are used on the roofs of more than 200 houses in Lawrence Park, a residential development for General Electric employees at Erie, Pa. These shingles provide a good looking, everlasting roof, ideal for any home.

Johns-Manville Authorized Roofers

Johns-Manville Authorized Roofers are trained in the proper application of our Built-up Asbestos Roofs. You can rely on our Authorized Roofers to do their work well, to charge fair prices, and to render businesslike and satisfactory service.

Johns-Manville

ASBESTOS MINERS AND MANUFACTURERS

Asbestos Products to Serve Every Industry

Johns-Manville insulations conserve heat and prevent power and fuel wastes. Scores of other Johns-Manville items made wholly or in part of asbestos, are in daily use by thousands of power houses, factories,

foundries, mills, mines and railways the world over. For over 50 years we have used asbestos to guard human life and property, to conserve power, to improve living conditions.

FILL IN, TEAR OUT, MAIL

JOHNS-MANVILLE CORP., Dept. B.U.-43
 New York Chicago Cleveland San Francisco
 For Canada: Canadian Johns-Manville Co., Ltd.,
 Toronto.

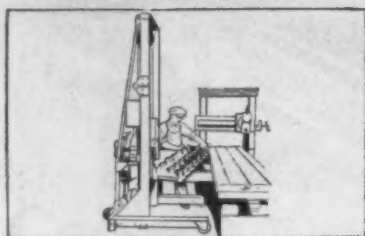
(Mail this coupon to branch nearest you)

Without obligation on my part, please send me information concerning Johns-Manville Built-up Asbestos Roofing and the name of the nearest Johns-Manville Authorized Roofer.

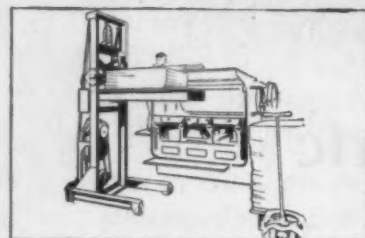
Name
 Address
 City
 State

When writing to JOHNS-MANVILLE CORP. please mention Nation's Business

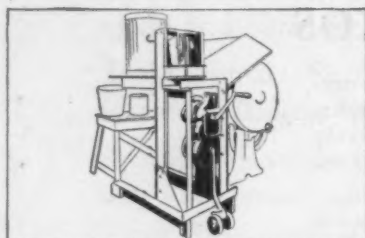
The Underwriters Report gives Undisputable Proof of Barrett Safety and Strength



Placing jig on a planer



Feeding a printing press



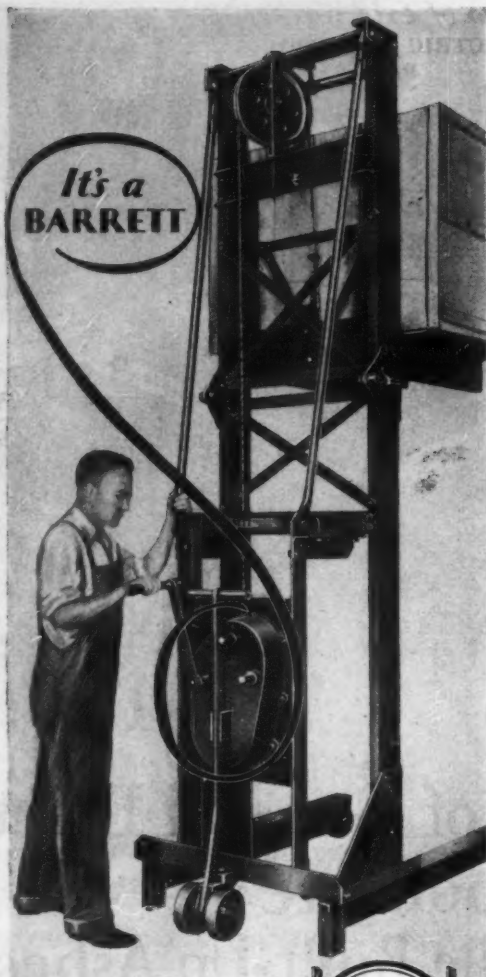
Loading a hopper

When you buy a Barrett Portable Elevator there is one more plant hazard off your mind for good. Why? Because this elevator has been tested and awarded the distinguishing "listed as standard" mark of dependability and safety by the Underwriters Laboratories.

BARRETT-CRAVENS COMPANY

1334 W. Monroe St., Chicago, Ill.

183 Lafayette St., New York, N. Y.



Safety to operator and load plus its unlimited applications and super strength make the Barrett the choice of men who know the value of correctly designed portable elevators. You save time, money and storage space with this equipment. Read what the underwriters say about the Barrett. Their unbiased opinion answers more questions and carries more weight than all the "copy" ever written. May we send this report?



biles. I shall be tremendously interested in the results if they are measurable.

And that, as Montague Glass and Rudyard Kipling said, "is something else again and another story."

PARADOXES in a month's news: Silas Strawn says training for the bar is too brief . . . and Frank Hogan is reported to have received a million for Doheny oil defense. Dry Goods League plans to check store extensions . . . and D. A. Schulte announces chain of a thousand stores. Power industry opposes sweeping Senatorial quiz . . . and fourteenth century business records of Medici family are under inspection in Boston.

Radio television to home receivers shown in tests . . . and "movie" ushering is taught as vocation with a future. New York reports 407 ambulance calls a day . . . and Brooklyn chamber sees ultimate total of 25,000,000 population in metropolitan area. Twenty thousand diamond miners are idle . . . and the bee grows busier with demand for beeswax used in lipsticks.

Kansas is aroused by Boston's ban on beef . . . and Harvard doctors commend liver as cure for anemia. American one-piece bathing suit opens new market in Italy . . . and textile mills here stage price war. Lord Gainsford tells Londoners that American business has no place for the slow . . . and New York Coffee Exchange employs expert to make "cup tests" by sipping.

ADD HORRORS of bureaucracy.

Bishop Warren A. Candler, eminent southern divine, putting the country on notice of the threat of over-centralization of authority in the Washington Government as exemplified in the proposal for a federal department of education, says:

The American people are really and seriously threatened by a dangerous form of bureaucracy, centralized at Washington—the measure proposed for the establishment of a department of education at Washington served by an expensive staff of secretaries, and sending its agents and supervisors into all the states is a most dangerous form of centralization—perilous to the whole country.

The worthy Bishop is right; he might well have added that this mania for "letting Washington do it" is as full of pestiferous troubles as Pandora's well-known box was full of imps.

"**THAT** is a good book to have around." This expression is often heard in office, home, and bookstore. We pick up a business manual from the office desk of a friend and the thought comes to us, even if not expressed in words. We glance through a household manual on his wife's library table and the idea is reiterated. In looking for a gift book, perhaps at the bargain counter we also run across books of a like character, evoking the same line of thought.

Although recognizing the value of such publications, we do not, however, always procure copies. Sometimes we are deterred by lack of the price, sometimes by

Eat and Be Well!

A condensed set of health rules—many of which may be easily followed right in your own home, or while traveling. You will find in this little book a wealth of information about food elements and their relation to physical welfare.

CONTROL YOUR WEIGHT WITHOUT DRUGS OR TIRESOME EXERCISES

Effective weight control diets, acid and bland diets, laxative and blood-building diets, and diets used in the correction of various chronic maladies.

The book is for FREE circulation. Not a mail order advertisement. Name and address on card will bring it without cost or obligation.



Health Extension Bureau
434 Good Health Bldg., Battle Creek, Michigan

REDUCE CLEANING COSTS in YOUR Business

Save from \$1500 to \$3000 a year in cleaning and repainting costs by using an Invincible Portable Vacuum Cleaner.



Used in the world's best hotels, theatres office buildings, factories, schools and dept. stores. Portable—easy to handle—sturdy—powerful—long-lived.

SEND FOR ILLUSTRATED CATALOG No. 14 TODAY! Complete facts and information in free illustrated catalog No. 14.

INVINCIBLE VACUUM CLEANER MFG. CO.
DOVER, OHIO, U. S. A.

the trouble involved, and perhaps more by sheer forgetfulness until the next time we see them.

The fact is not generally known, however, that a great number of "Handy" books are published by the United States government, and sold by the Superintendent of Documents at a nominal cost, and may be procured at a minimum of trouble. We have endeavored in this list to show a compilation, including valuable reference books, susceptible of practical use by laymen.

To those who, following the kindly suggestion of Uncle Sam as quoted above from "Handy Books," Government Printing Office, 1927, would found a library of handy books, we suggest these titles from the same publication:

Tables of Thermodynamic Properties of Ammonia

Manual for Farmers, Horseshoers, Saddlers and Wagoners

Brass Furnace Practice in the United States

Cow Testers' Handbook

Latitude Developments Corrected with Geodesy and Cartography, with Tables, Including Table for Lambert Equal-area Meridional Projections

Special Report on Diseases of Horse

Handbooks of American Indian Language

Some Elementary Examples of Least Squares

Velocity of Sound in Sea Water

Manual of Harmonic Analysis and Prediction of Tides.

F AITH in one's own industry is a fine thing, and there is no greater test of that faith than the wish that one's own sons should follow in their father's footsteps.

This from a lumberman, who had just read Theodore Knappen's article in the January issue, has a fine ring:

I disagree to a great extent with these prophesying gentlemen who say that six to sixty years hence all our merchantable lumber will be gone. Selective cutting and selective merchandising of production from the forests of our nation will pay, for a great many years to come, the up-keep of many families engaged in this man-sized vocation.

The writer has two small boys and cannot help but feel that I would be glad to have both of them follow the lumber industry.

"RED INK Expansion" has stirred many of our readers. Volume at the cost of profit is a dubious business. A wholesale grocer on the Pacific Coast who read Mr. Sherwin's article writes as follows:

In this territory intensive competition on the part of wholesale grocery distributors has resulted in selling many staple items of merchandise at less than wholesale cost. For instance, sugar today costing \$5.728 per bag net cash to which must be added cartage charges is actually being sold for \$5.65 per bag.

Unless this practice ceases I am of the opinion that it will mean the further elimination of many wholesale grocery houses. Quite a few have already discontinued business including some of the largest and oldest establishments in our territory.

I want to compliment you upon the



LADIES' SHOES—WORLD'S LARGEST RETAIL STORE

Forced to Expand Unable to Build!

General Manager: "Our business has grown to such an extent that we are forced to expand—we can't build higher, neither can we excavate deeper; nor can we move, as our location is one of our greatest assets. Can we, through departmental rearrangement, secure a more efficient allotment of space?"

Merchandise Manager: "The survey, made at your suggestion by Durand, and graphically presented through these drawings, proves conclusively that we can release 25 per cent to 50 per cent of our present departmental storage space by replacing wood shelves with steel, and the cost is well within our budget."

General Manager: "Have Durand survey every department, and arrange for immediate installation of Durand Adjustable Steel Shelving—the service is extraordinary, and the price is right."

Interested executives can secure a copy of "Automatic Inventory Control" by returning the coupon now.



SHELVES INSTANTLY ADJUSTABLE



NO AIR SPACE BETWEEN SHELVES



CORNER OF THE STOCK ROOM

Durand Steel Locker Company, 37 South Clark Street, Chicago, Illinois
Gentlemen: Send a copy of your "Automatic Inventory Control Book" to
Firm Name.....
Individual.....Title.....
Street Number.....
City.....State.....



Buckling Down

Organizing to meet constantly keener competition means more than a rigorous resolve to fight. It means, first, the gathering of all facts as to costs—among them the all-important facts as to fixed property charges, maintenance and depreciation. These are best supplied through American Appraisal Service.

**THE
AMERICAN APPRAISAL
COMPANY**

A NATIONAL ORGANIZATION

How to Solve Today's Economic Problems

THE gist of world opinion on how to solve present-day economic problems is presented in *The Three International Conferences of 1927*, a new pamphlet just published by the Foreign Commerce Department of the United States Chamber of Commerce.

This pamphlet summarizes the resolutions and recommendations of

The World Economic Conference at Geneva
The International Chamber of Commerce Congress at Stockholm
The Pan American Commercial Conference at Washington

The items in this pamphlet are alphabetically arranged. Many of them are of direct interest to the American business man.

The pamphlet is being distributed at cost, 10 cents a copy

FOREIGN COMMERCE DEPARTMENT
United States Chamber of Commerce - Washington, D. C.

many progressive, intelligent and worthwhile articles that have been appearing in the *NATION'S BUSINESS* during the past year, and I believe that if more of our business men read these articles with the idea of improving their business, much material good will result to the business men of the United States.

TO CLAIM priority in an invention or phrase is always uncertain. "The New Competition" of which Mr. O. H. Cheney wrote in June, 1926, we thought of as ours when it first appeared, but other claimants bobbed up and now a friendly reader sends us a volume, "The New Competition," by Arthur Jerome Eddy, published by A. C. McClurg & Company in 1913.

Mr. Eddy by the new competition meant the substitution of open prices cooperatively agreed upon for closed prices and competitive price-making. But despite the different meaning he hit on a phrase we thought was ours.

"Profitless prosperity" and "red ink expansion" are titles of recent articles in *NATION'S BUSINESS*, which are coming into general business use, but how long they have been current I don't know.

WHO BETTER than the druggists could compound a prescription for the body politic? No need to pause for a reply. The druggists themselves are taking thought of their power to mold public opinion, and one of their leaders has pointed the way to effective articulation.

Samuel C. Davis, president of the Retail Druggists Association, wants the members to become active in practical politics so they may be in position to demand and obtain their rights.

But he is wise enough to see that they must stand together. Organized, they will command attention. Unorganized, their efforts will be diffused to little purpose.

Those are shrewd observations, and argue well for the experience of their leader.

It may be that Mr. Davis is not sounding the tocsin for the formation of a druggists' bloc. Even if he were, there is no shame to his pestle. Commerce and industry sustain the life of every community with indispensable contacts.

There is every reason for giving ear to the grocers, the bakers, the electric light makers, and to the druggists. Opportunity for more business in government is still wide and inviting. To contend that the improvement of government through trade groups would be a doubtful novelty, is to argue that government should discriminate against citizens whose voice is organized.

ONE ALWAYS welcomes help in the form of definition of our editorial job, but one contributor sets us a hard task. He says of *NATION'S BUSINESS*: "It deals with the very 'guts' of our future as a country." *M.T.*